



REPORT TO THE CITY COUNCIL

AGENDA ITEM NO.:

COUNCIL MEETING: March 25, 2008

APPROVED BY

DEPARTMENT DIRECTOR

CITY MANAGER

March 25, 2008

FROM: NICK P. YOVINO, Director
Planning and Development Department

BY: KEITH BERGTHOLD, Assistant Planning Director
Housing and Community Development Division

SUBJECT: ADOPT A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN (PROPOSITION 1C) INFILL INFRASTRUCTURE GRANT PROGRAM APPLICATION TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE TRANSIT VILLAGE PROJECT AND AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE ALL NECESSARY GRANT DOCUMENTS

KEY RESULT AREA

One Fresno

RECOMMENDATION

1. Adopt a resolution authorizing the submittal of an Infill Infrastructure Grant Program (Prop 1C) application in the amount of \$2,704,530 to the California Department of Housing and Community Development (HCD) for program funds for the City's Transit Village Project; and
2. Authorize the Planning and Development Director to sign all necessary documents for participation in the Infill Infrastructure Grant Program subject to review by the City Attorney's Office.

EXECUTIVE SUMMARY

The City of Fresno is preparing to submit an application for \$2,704,530 in Infill Infrastructure Grant Program funding in response to a February 28, 2008 Notice of Funding Availability (NOFA) provided by the passage of Proposition 1C – Housing and Emergency Shelter Trust Fund Act of 2006. The Infill Infrastructure Grant Program application is a joint application with ROEM Corporation, the developer of the Transit Village Project. The City and ROEM will be requesting a total of \$2,704,530 in program funds. If the City and ROEM are successful in obtaining an award, funds will be used for associated infrastructure needs for the Transit Village Project located on the south side of Kings Canyon Road between Peach and Adler Avenues.

KEY OBJECTIVE BALANCE

Adoption of the Resolution presents an opportunity to make a positive impact to the Customer Satisfaction, Employee Satisfaction, and Financial Management Key Objectives. The approval impacts the Customer Service aspect by demonstrating the City's commitment to ensuring affordable housing for low-income seniors and adequate transportation facilities. Approval of the recommended action also attributes to Employee Satisfaction by supporting efforts that help to achieve the General Plan and Housing Element goals. In addition, it demonstrates creative and resourceful financial management by encouraging the practice of public-private relationships to create mixed-use developments.

BACKGROUND

On February 28, 2008, the State of California, Department of Housing and Community Development (HCD) released an Infill Infrastructure Grant Program Notice of Funding Availability (NOFA) provided by the passage of Proposition 1C – Housing and Emergency Shelter Trust Fund Act of 2006. The NOFA provides for an opportunity to apply for grant funding for infrastructure improvements necessary for specific residential infill development projects. The primary object of the Infill Infrastructure Grant Program is to promote infill housing development. Funds provided under the program are to be used as gap financing for necessary infrastructure improvements.

The Infill Infrastructure Grant Program application is being submitted as a joint application with ROEM Corporation, the developer of the Transit Village Project. If the City and ROEM are successful in obtaining an award, funds will be used for associated infrastructure needs for the Transit Village Project located on the south side of Kings Canyon Road between Peach and Adler Avenues.

Transit Village consists of a transit center, park, and 133 units of affordable senior housing. As of this date, ROEM has completed the preliminary design of the project, held a public meeting about the project, completed a legal description for each portion of the project, assisted in the development of the Disposition and Development Agreement, and is assisting with the Infill Infrastructure Grant Program application proposal to the State.

A City Council adopted Resolution is a requirement for submittal of an Infill Infrastructure Grant Program application to the State of California and serves as evidence that the final decision-making body has approved the Infill Infrastructure Program funds for the specific project. Staff is therefore recommending adoption of the Resolution for subsequent application submittal before April 4, 2008.

Infill Infrastructure Grant Program funds are allocated through a competitive process and are based on a points scale. Selection criteria include project readiness, housing affordability, density, proximity and access to transit centers, parks, employment centers, and consistency with regional growth plans.

The City Attorney's Office has approved the attached Resolution as to form.

FISCAL IMPACT

If the City's application is successful in obtaining an award, program funds will be available during 2008-2009. There is no match requirement for participation in the program.

APPENDICES

Exhibit A – Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO APPROVING THE APPLICATION FOR AND ACCEPTANCE OF CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT 2008 INFILL INFRASTRUCTURE GRANT PROGRAM FUNDS AND AUTHORIZING EXECUTION OF DOCUMENTS

(Infill Infrastructure Grant Program to promote infill housing development within the following Infill Infrastructure Grant Project: [*Transit Village*])

WHEREAS, The City of Fresno a California municipal corporation and local governmental entity (hereinafter referred to as "City of Fresno") wishes to apply for and receive an allocation of 2008 funds through the Infill Infrastructure Grant Program;

WHEREAS, California Department of Housing and Community Development (hereinafter referred to as "HCD") has issued a Notice of Funding Availability ("NOFA") for the Infill Infrastructure Grant Program provided under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) pursuant to Chapter 2 of Part 12 of Division 31 of the Health and Safety Code, Sections 53545.12 and 53545.13, pursuant to which the HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the Infill Infrastructure Grant Program, subject to the terms and conditions of the statute and the Infill Infrastructure Grant Program guidelines adopted by HCD on February 28, 2008 ("Guidelines"), the application package and standard agreement and amendments thereto and related documents/instruments necessary to Program participation; and

WHEREAS, the City of Fresno wishes to submit an application to obtain from HCD an allocation of Infill Infrastructure funds in the amount of \$2,704,530; and

WHEREAS, said procedures established by HCD require the applicant's governing body to certify, by resolution, the approval of the application to HCD and the authorization for execution of the Program standard agreement with HCD for the grant funded Program.

WHEREAS, the City of Fresno wishes to enter into a standard agreement with HCD for the grant funded Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FRESNO THAT:

1. Approves of the application for the acceptance of grant funding from the Infill Infrastructure Grant Program and participation therein, in response to the NOFA issued on February 28, 2008, which will request a funding allocation for the following activities:

(a) Infrastructure for the City's Transit Village Project that consists of a transit center, park, and 133 units of affordable senior housing on the south side of Kings Canyon between Willow and Peach Avenue.

2. If the application for funding is approved, the City of Fresno hereby agrees to use the Infill Infrastructure Grant Program funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with Program guidelines cited above. It

also may execute any and all other instruments necessary or required by HCD for participation in the Infill Infrastructure Grant Program.

3. Appoints and authorizes the Fresno City Planning Director and designee(s) and each of them as agent(s) of the City of Fresno, to conduct all negotiations, execute and submit documents required by HCD for Program participation including, but not limited to, the standard agreement, Project application(s), amendments, memoranda of understanding, payment requests and so on, which may be necessary for participation in and completion of the aforementioned Project, including any extensions or amendments thereof, subject to prior approval as to form by the City Attorney's Office.

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CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the 25th day of March, 2008.

AYES:
NOES:
ABSENT:
ABSTAIN:

REBECCA E. KLISCH
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:

JAMES C. SANCHEZ
City Attorney

By: Laurie A. Avedisian
~~Robert Coyle~~, Deputy City Attorney
Laurie A. Avedisian

Date: March 11, 2008