

AGENDA ITEM NO.:	1 0
COUNCIL MEETING:	March 24, 2009
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

March 24, 2009

FROM: Keith Bergthold, Interim Director  
Planning and Development Department

BY: Claudia Cazares, Interim Manager   
Housing and Community Development Division

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

**KEY RESULT AREA**

One Fresno

**RECOMMENDATION**

Staff recommends that City Council:

1. Adopt a resolution authorizing the submittal of a Proposition 1C Infill Infrastructure Grant Program joint application in the amount of \$3,006,433 to the California Department of Housing and Community Development for program funds for the Transit Village project; and
2. Authorize the Planning and Development Department Interim 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 and ROEM Corporation are preparing to submit a joint application requesting \$3,006,433 in Infill Infrastructure Grant Program (IIG) funding in response to the State's January 30, 2009 Notice of Funding Availability (NOFA). The NOFA was made available through the passage of Proposition 1C – Housing and Emergency Shelter Trust Fund Act of 2006 for the Transit Village Project for which ROEM is the selected developer. If the City and ROEM are successful in obtaining an award, funds will be used for infrastructure needs for the Transit Village Project. Adoption of the attached Resolution is a program requirement for submittal of an application to the State for the IIG Program.

**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 of the City of Fresno. In addition, it demonstrates creative and resourceful financial management by encouraging the practice of public-private relationships to create mixed-use developments.

## **BACKGROUND**

On January 30, 2009, the State of California, Department of Housing and Community Development (HCD) released a second 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 objective of the program is to promote new infill housing development. Approximately \$197 million is available through this NOFA of which \$19.7 million, or 10%, is geographically allocated for the Central Valley. Funds provided under the program are to be used as gap financing for infrastructure improvements and are allocated through a competitive process using a point scale. Scoring factors include: environmental review status, land use entitlement status, funding commitments, local support, project readiness, housing affordability, density, proximity and access to transit, employment centers, and parks, and consistency with regional growth plans.

The IIG Program application is being submitted as a joint application with ROEM Development Corporation. If the City and ROEM are successful in obtaining an award, funds will be used to pay for infrastructure needs for the Transit Village Project located on the south side of Kings Canyon Road between Peach and Adler avenues. Infrastructure needs for the project include sidewalk, curb, gutter, street and median improvements, traffic signalization, lighting, and water and sewer connections. Once completed, Transit Village will consist of a transit facility, a small pocket park, and 133 units of affordable senior housing.

To date, ROEM has completed the preliminary design of the project, held two public informational meetings, completed a legal description for each portion of the project property, assisted in the development of the Disposition/Development and HOME Agreement, and is currently assisting the City with the Infill Infrastructure Grant Program application proposal.

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 decision-making body has approved the Infill Infrastructure Program application funds for the Transit Village project. Staff therefore recommends adoption of the Resolution (Exhibit A) for application submittal before April 1, 2009. Award announcements are expected to be made in June of 2009.

## **HOUSING AND COMMUNITY DEVELOPMENT COMMISSION**

The Housing and Community Development Commission considered and recommended approval of this item on March 11, 2009.

## **FISCAL IMPACT**

If the City is successful in obtaining an award, program funds will be available during fiscal year 2009-2010.

## **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 2009 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"), as co-applicant with ROEM, wishes to apply for and receive an allocation of 2009 funds through the Infill Infrastructure Grant Program; and

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 the Infill Infrastructure Grant Program established in Part 12 of Division 31 of the Health and Safety Code, commencing with Sections 53545.12. Pursuant to the statute 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 January 30, 2009 ("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 \$3,006,433; 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; and

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. Consistent with constitutional and local law requirements and this resolution, the City of Fresno hereby approves of the application for and the acceptance of grant funding from the Infill Infrastructure Grant Program and participation therein, in response to the NOFA issued on January 30, 2009, which will request a funding allocation for the following project/area activities:

- (a) Eligible infrastructure for the City's Transit Village Project that consists of a transit facility, park, and 133 units of affordable senior housing on the south side of Kings Canyon between Peach and Adler avenues.

EXHIBIT "A"

2. If the application for funding is approved, the City of Fresno, consistent with constitutional and local law requirements and this resolution 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 and Development Interim 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 Program/Project/Area, 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 \_\_\_\_ day of March, 2009.

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

REBECCA E. KLISCH  
City Clerk

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

JAMES C. SANCHEZ  
City Attorney

By:   
Laurie A. Avedisian Deputy City Attorney

Date: 3/5, 2009  
RRC:sn [48240sn/RESO] 3/4/09