

TO: JAMES L. APP, CITY MANAGER
FROM: RON WHISENAND, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: SUSTAINABLE COMMUNITIES GRANT AND LOAN PROGRAM APPLICATION
DATE: JULY 3, 2007

Needs: For the City Council to: adopt a resolution authorizing the City Manager to apply for a \$350,000 grant and \$150,000 loan under the State Sustainable Communities Grant and Loan (SCGL) Program and to execute a California Standard Agreement if the grant and/or loan is approved.

- Facts:
1. The California Pollution Control Financing Authority is offering cities and counties up to \$350,000 in grants and \$150,000 in zero-interest 5 year loans under the “Sustainable Communities Grant and Loan” (SCGL) Program.
 2. SCGL funds may be used for plans that promote one or more of the following sustainable development objectives:
 - Develop and implement policies, programs, and projects that reduce pollution hazards and degradation of the environment;
 - Promote infill development;
 - Promote economic development within economically distressed communities;
 - Promote land uses that support alternative transportation options;
 - Ensure a proper mix of business and housing, including affordable housing, in communities and neighborhoods;
 - Balance job growth with new housing;
 - Encourage communities centered around civic spaces;
 - Ensure more efficient, well-planned, higher density;
 - Protect environmental resources; and
 3. The Uptown Specific Plan, as part of its implementation of General Plan and Economic Development Strategies, proposes to incorporate land use categories, circulation improvements, and development standards that serve to encourage a compact urban form, infill development, alternative transportation modes, and sustainable building and development standards. SCGL Funds may be used for specific plans
 4. The State presently has \$2.5 million allocated for this program. In their last round of funding (in 2003), they had \$5 million and made 14 grants and loans, but received 117 applications of which 111 were valid.
 5. First priority for SCGL funds is given to projects for which it can be demonstrated that a city does not have sufficient funds to undertake the project unless it received an SCGL grant and/or loan. Simultaneously, cities must demonstrate that there is sufficient committed matching funds to complete the project in a timely manner (3 years).
 6. The deadline for filing an application for SCGL funds is July 16, 2007. The application need not include a resolution of the City Council authorizing the application. However,

the application does need to document support for the application, and a resolution would be the best vehicle for indicating such support.

7. The City has also requested letters of support from the County Office of Education, Paso Robles Public Schools, the Paso Robles Housing Authority, Peoples' Self-Help Housing Corp., and Matt Masia (as business owner and chair of the Redevelopment Project Area Committee).
8. Projects to be funded and/or assisted with SCGL funds must be completed within 3 years (or the City may lose SCGL funds and/or have to refund any advanced SCGL funds).

Analysis and
Conclusion:

The Uptown Specific Plan project includes preparation of a specific plan, an Environmental Impact Report, and a form-based zoning code. Staff has estimated the cost of the entire effort to be \$1 million. The recently-adopted Budget shows this project as being accomplished with Redevelopment Funds. However, the Redevelopment Agency has not yet approved the Redevelopment Budget, but is scheduled to consider it on July 24, 2007.

Given the expected stiff competition for SCGL funds, to have a competitive application, it will be necessary to demonstrate that the City does not have sufficient funds budgeted to complete the estimated \$1 million project. During the recent budget hearings, staff presented a list of projects that could be pursued with redevelopment funds if development of a new City Hall is postponed. That list included more projects than there were redevelopment funds available. It is suggested that the Redevelopment Budget only allocate \$500,000 to the Uptown Specific Plan, leaving the balance to be funded with SCGL funds. Should the City fail to receive any or all of the total of \$500,000 in SCGL funds, its options for completing the Uptown Specific Plan would be: (a) amend the Redevelopment Budget to replace a relatively low-priority project with completion of the Uptown Specific Plan; or (b) complete the Specific Plan and its EIR, but postpone the form based code component until other funds are available.

Policy

Reference: State laws and regulations governing the WFHR Program; Housing Element

Fiscal Impact: WFHR funds would either accomplish, or supplement funding for, projects that supplement projects that would otherwise be carried out with General Funds.

- Options:
- a. Adopt Resolution No. 07-XXX authorizing the application or a \$350,000 grant and \$150,000 loan under the State Sustainable Communities Grant and Loan Program;
 - b. Amend, modify or reject the foregoing option.

Prepared By:

Ed Gallagher
Housing Programs Manager

Attachment: Resolution Authorizing Application for SCGL Funds

ED\UPTOWN SPECIFIC PLAN\SCGL APPLILCATION\GRANT CCR 070307

RESOLUTION NO. 07-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
AUTHORIZING THE APPLICATION FOR A GRANT OF \$350,00, AND A LOAN OF \$150,000 UNDER
THE STATE OF CALIFORNIA'S SUSTAINABLE COMMUNITIES GRANT AND LOAN PROGRAM AND
THE EXECUTION OF A CALIFORNIA STANDARD AGREEMENT

WHEREAS, On April 23, 2007, the California Pollution Control Financing Authority issued a Notice of Funding Availability (NOFA) for the Sustainable Communities Grant and Loan (SCGL) Program; and

WHEREAS, the NOFA provides that, under the SCGL Program, cities and counties may apply for up to \$350,000 in grants and \$150,000 in zero-interest, 5 year loans for projects and plans that promote one or more of the following sustainable development objectives:

- Develop and implement policies, programs, and projects that reduce pollution hazards and degradation of the environment;
- Promote infill development;
- Promote economic development within economically distressed communities;
- Promote land uses that support alternative transportation options;
- Ensure a proper mix of business and housing, including affordable housing, in communities and neighborhoods;
- Balance job growth with new housing;
- Encourage communities centered around civic spaces;
- Ensure more efficient, well-planned, higher density;
- Protect environmental resources; and

WHEREAS, according to the NOFA, SCGL funds may be used for specific plans; and

WHEREAS, the Uptown Specific Plan, as part of its implementation of General Plan and Economic Development Strategies, proposes to incorporate land use categories, circulation improvements, and development standards that serve to encourage a compact urban form, infill development, alternative transportation modes, and sustainable building and development standards; and

WHEREAS, the City of El Paso de Robles desires to apply for a grant and a loan under the SCGL Program;

NOW, THEREFORE, BE IT RESOLVED, by City Council of the City of El Paso de Robles that the City Manager is hereby authorized and directed to apply for and submit an application for a \$350,000 grant and a \$150,000 loan under the SCGL Program. If the application is approved, the City Manager is hereby authorized and directed to enter into, execute, and deliver a State of California Standard Agreement (the "Standard Agreement"), and any and all other documents required or deemed necessary or appropriate to secure the SCGL grant and/or loan, and all amendments thereto.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 3rd day of July, 2007, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah D. Robinson, Deputy City Clerk

Date