


REPORT TO CITY COUNCIL

Approved by:



Department Director



Arnaldo Rodriguez, City Manager

Council Meeting of: April 17, 2019

Agenda Number: B-6

SUBJECT:

Letter to the San Joaquin Valley Air Pollution Control District (Air District) requesting reinstatement of the Public Benefit Grant Program (PBG) funding for Affordable Housing Sustainable Communities (AHSC) projects.

RECOMMENDATION:

Staff recommends that the City Council (Council) authorize the Mayor to sign the attached letter.

SUMMARY:

The City recently learned that the Air District is no longer programming funds for San Joaquin Valley (Valley) AHSC applications. Many AHSC applicants in the Valley who have relied on this program in the past have successfully been awarded with the help of the Air District funding, which was eliminated in the last budget cycle. The prepared letter (Attachment 1) requests that the Air District Board strongly consider funding the PBGP for AHSC projects in its Fiscal Year 2019-20 budget, and asks that the Air District also consider allowing AHSC projects to apply for Air District funding that was not available during the 2018-19 fiscal year.

DISCUSSION:

City officials, together with representatives from the Successor Agency and Housing Authority, convened with multiple community partners in the summer of 2018 to begin discussions and planning for the development of a potential AHSC grant proposal. All parties agreed to pursue the funding source for an affordable veterans and family housing development project. Since the initiation of these work sessions, community support has increased and the number of partners participating in project development and planning has grown.

On October 10, the City approved sales agreements with Madera Opportunities for Resident Enrichment and Services, Inc. (MORES) for the exclusive right to purchase two Successor Agency owned parcels at 121 and 125 North C Street and two City-owned parcels at 200 and 204 North C Street. MORES then prepared an application to fund the veterans and family housing project through the AHSC Program. Administered by the Strategic Growth Council and implemented by the State of California Department of Housing and Community Development (HCD), the AHSC Program funds land-use, housing,

transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas (GHG) emissions.

A successful grant application would facilitate the development of two residential projects (Attachment 2) on the four aforementioned properties located in proximity to the intersection of North C Street and East Fifth Street in the downtown area, providing for 48 residential units for low and very-low income and at-risk populations. The Council approved a General Plan amendment and rezone in support of the project on September 19 and October 3, 2018. The Planning Commission approved two precise plans shortly thereafter on October 9, 2018. The Council authorized the application for AHSC grant funding as a co-applicant on January 30, 2019.

To be competitive for the AHSC program, it is important to leverage local funding, including Air District funds previously available to San Joaquin Valley AHSC applications. The attached letter requests that those Air District funding opportunities be reinstated.

FISCAL IMPACT:

Although there is no direct fiscal impact associated with executing the letter requesting reinstatement of the PBGP funding for AHSC projects, the loss of Air District funding may have adverse impacts on the AHSC grant process.

CONSISTENCY WITH THE MADERA VISION 2025 PLAN:

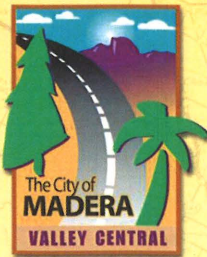
While not specifically identified in the Vision 2025 Action Plan, this recommended action supports Action 101.8: Promote and encourage development and redevelopment of low and moderate-cost housing as part of the Housing Element Update.

ALTERNATIVES:

The Council may choose not to authorize the Mayor to sign the attached letter, or may direct staff to prepare alternative verbiage for inclusion in a revised letter to be returned to the Council at a later date for consideration in advance of a release to the Air District.

ATTACHMENTS:

1. City Letter to the Air District
2. Project Summary



April 17, 2019

Supervisor Buddy Mendes - Board Chair
San Joaquin Valley Air Pollution Control District
1990 E. Gettysburg Ave.
Fresno, CA 93726

RE: FY 2019-20 Funding for the Public Benefit Grant Program

Dear Supervisor Mendes:

On behalf of the City of Madera, we are writing to encourage you to reinstate funding under the Public Benefit Grant Program - Community Improvement Projects that Reduce Vehicle Use and Emissions, for San Joaquin Valley projects competing for funding under the State of California's Affordable Housing and Sustainable Communities (AHSC) program.

The City of Madera, in collaboration with various other public, private and non-profit partners, is diligently trying to bring state cap-and-trade funding to Madera's first AHSC project. The Downtown Madera Veterans and Family project is a transformational development for our downtown. The project consists of two three-story multifamily buildings and considerable public improvements, that will ultimately reduce vehicle use and emissions through enhanced walkability, bike pathways, and transit. The project represents a pivotal step in stimulating and revitalizing Madera's urban core (see attached project summary).

As you know, to be competitive for the AHSC program, it is important to leverage local funding. While the City and its partners contributed to the project with limited resources, we were very disappointed to learn late in the application process that the Air District was no longer programming funds for San Joaquin Valley AHSC applications. Many AHSC applicants in the Valley who have relied on this program in the past have successfully been awarded with the help of the Air District's funding.

According to Air District staff, funding for the Public Benefit Grant Program for AHSC projects was eliminated in the last budget cycle. We are requesting the Air District Board strongly consider funding the Public Benefit Grant Program for AHSC projects in its FY 2019-20 budget. Additionally, please consider allowing Round 4 AHSC applicants/projects to apply for this much needed funding that was not available during the 2018-19 fiscal year.

If you need any additional information, or if you need the City of Madera to testify at your budgeting board meetings, please contact me at 559-674-3661.

Sincerely,

Andrew J. Medellin, Mayor of Madera

cc: Samir Sheikh, Executive Director

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Downtown Madera

Veterans and Family Housing



PROJECT DESCRIPTION

Downtown Madera Veterans and Family Housing is a proposed 48-unit affordable housing development for extremely-low to low-income households earning between 30% and 60% of the area median income. The project is located in Downtown Madera at the intersections of C and 5th Streets, on two publicly owned sites. The project will include seven units as supportive housing and utilize services from Madera County Behavioral Health. The project will encourage cycling and walking by making improvements to sidewalks, bicycle routes and connections to transit between the project site and key destinations in Madera. The affordable housing development itself includes two (2) three-story buildings with a diverse unit mix of 18 studios, 10 one-bedrooms, 12 two-bedrooms, and 8 three-bedrooms. The project will provide much needed housing, transportation amenities, and on-site services for the residents of the housing development as well as the surrounding community. Pacific West Communities and MORES, Inc., the non-profit of the Madera Housing Authority, are the developers and applicants, and the City of Madera is the co-applicant. The \$25M project is seeking approximately \$11.3M in State cap-and-trade funding through the Affordable Housing and Sustainable Communities program.

Sources of Funds*

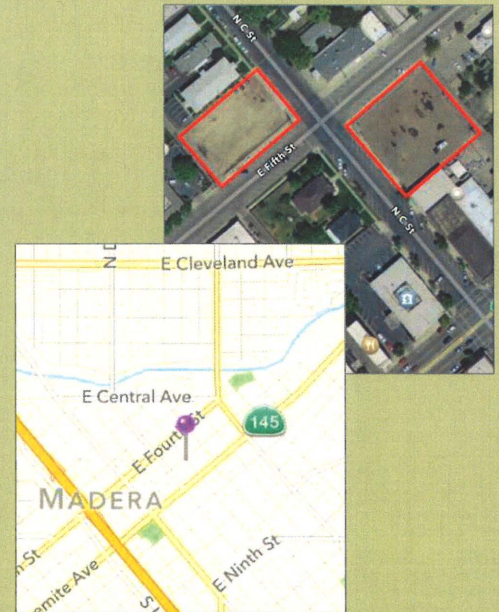
Affordable Housing & Sustainable Communities Grant	\$11,326,908
City	\$90,000
Redevelopment Successor Agency	\$946,000
Madera County Behavioral Health Services	\$500,000
Tax Credit Equity	\$7,800,940
Loans	\$2,146,000
Other.....	\$2,999,766
TOTAL.....	\$25,809,614

Uses of Funds*

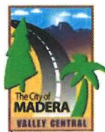
Land	\$215,000
Affordable Housing Development.....	\$14,632,760
Housing Related Infrastructure	\$750,000
Sustainable Transportation Infrastructure	\$2,845,000
Transportation-Related Amenities.....	\$768,000
Program	\$144,928
Soft Costs/Other	\$6,453,926
TOTAL.....	\$25,809,614

*These numbers are preliminary estimates and may be subject to change.

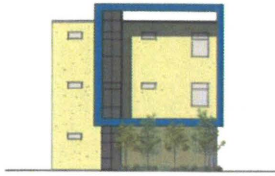
PROJECT LOCATION



Project Partners



PROPOSED VETERANS HOUSING



Alley Elevation
(not to scale)



C Street Exterior Elevation
(not to scale)



Parking Lot Elevation
(not to scale)



5th Street Exterior Elevation

Overall Building Data

21,368 gross sf

(1) three-story building

(10) 1-bedroom units: 500-520 sf each

(18) studio units: 450-475 sf each

(2) offices: 120 sf each

(1) community room: 700 sf

(1) lobby: 425 sf

(1) bicycle storage: 14 stalls

(1) outdoor space: 560 sf

PROPOSED FAMILY HOUSING



Alley Elevation
(not to scale)



C Street Exterior Elevation
(not to scale)



Courtyard Elevation
(not to scale)



5th Street Exterior Elevation

Overall Building Data

24,600 gross sf

(1) three-story building

(12) 2-bedroom units: 765-820 sf each

(8) 3-bedroom units: 1,000-1,050 sf each

(1) community room: 730 sf

(1) lobby: 390 sf

(1) bicycle storage: 10 stalls

(1) outdoor space: 2,050 sf

(1) playground area: 1,110 sf

SURROUNDING PUBLIC IMPROVEMENTS

- Enhancements at the Madera Intermodal Center
- Over 5 miles of additional bike lanes connecting to key destinations in Madera
- Over 27,700 linear feet of sidewalk improvements
- Landscaping and irrigation improvements at Sunrise Rotary Park
- Addition of one new bus stop in the project area
- Installation of bike racks and lockers at approximately 6-8 locations
- Improve the visibility, aesthetics, and functionality of bus stop signs within the project area
- Safety enhancements at Washington Elementary School