SUBJECT: Adoption of a Resolution Authorizing Staff to Apply for Housing Related Parks Program Grant through the State of California’s Department of Housing and Community Development (HCD)

BACKGROUND
California’s Housing Related Parks (HRP) Program, funded by the Proposition 1C bond measure passed by voters in 2006, rewards cities or counties for building affordable housing by providing grants for park capital projects within the grantee’s jurisdiction. Staff estimates that the City could qualify for a grant of $500,000 or more in the current funding round, based on several affordable housing projects completed in the period applicable to this grant (2010-2012). The City may not have enough eligible housing projects to qualify for the grant during the next few years, and funding may not be available after that time as the bond funds may be fully expended by then.

EXISTING POLICY
Policy 7.1.5 Donations, Contributions and Sponsorships:
Allow the solicitation of donations, contributions and sponsorships, as well as the submittal of applications for grant monies, to support City programs, events and services.

CEQA REVIEW
If the HRP grant is awarded to the City, CEQA review would be conducted on the capital project to be funded by the grant when the project is being designed or authorized. The project contemplated for this grant would generally be exempt from CEQA as a Class 2 exemption, for replacement of existing facilities.

DISCUSSION
On October 2, 2013, HCD issued a Notice of Funding Availability for the HRP Program, which provides grants for park projects to local governments as a reward for approving affordable housing projects in their communities. HRP grants may be used for the creation, development, or rehabilitation of park and recreation facilities, such as sport fields, informal play areas, play structures, community gardens, and park landscaping. Staff has identified several potential park projects for this grant, such as replacement of the auxiliary restroom building at Fair Oaks Park, and landscaping around the new building. If the grant is awarded and the City decides to use it for that project, it would be a “stand-alone” project to replace the existing facility with a modular one in the same location in advance of the major park renovation project scheduled to begin construction in 2016-17. Applications for this grant are due by January 22, 2014.
Base grants are awarded for each unit affordable to lower-income households permitted during the designated period. In addition, several bonus awards are available, based on infill location, general plan consistency with regional plans, and park projects in disadvantaged or park-deficient communities. Staff identified the Fair Oaks restrooms project to maximize the bonus awards available through this grant. Council is not required to approve the specific park project at this time, but at least one eligible project must be identified in the grant application. Typically it is possible to change the park project after the award is made, as long as the replacement project qualifies for the funding amount, or else the amount could be reduced. The grant guidelines require a Council resolution authorizing the application for this grant. The draft resolution in Attachment A follows the required template for the authorizing resolution.

**FISCAL IMPACT**
Applying for this grant will not impact the City’s General Fund. If awarded, staff would return to Council with a Budget Modification to appropriate the grant funds and identify the project to be funded by the grant. No matching funds are required.

**PUBLIC CONTACT**
Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City’s Web site.

**RECOMMENDATION**
Staff recommends Council adopt the draft resolution provided in Attachment A.

Reviewed by:
Hanson Hor, Director, Community Development
Prepared by: Ernie Defrenchi, Affordable Housing Manager
Suzanne Isé, Housing Officer

Reviewed by:
Kent Steffens, Director, Public Works

Approved by:
Gary M. Luebbers
City Manager

**Attachments**
A. Draft Resolution
RESOLUTION NO. ___-13

RESOLUTION OF THE CITY OF SUNNYVALE
AUTHORIZING APPLICATION TO THE HOUSING-
RELATED PARKS PROGRAM GRANT FOR PARK
PROJECTS

WHEREAS, the State of California, Department of Housing and Community Development ("Department") has issued a Notice of Funding Availability dated October 2, 2013 ("NOFA"), under its Housing-Related Parks ("HRP") Program; and

WHEREAS, the City of Sunnyvale ("City") desires to apply for an HRP Program grant and submit the 2013 Designated Program Year Application Package released by the Department for the HRP Program; and

WHEREAS, the Department is authorized to approve funding allocations for the HRP Program grant, subject to the terms and conditions of the NOFA, Program Guidelines, Application Package, and Standard Agreement; and

WHEREAS, the City desires to submit a request for the allocation of HRP Program grant funds for park projects; and

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

1. City is hereby authorized and directed to apply for and submit to the Department the HRP Program Application Package released October 2013 for the 2013 Designated Program Year; and

2. If the application is approved, City is hereby authorized and directed to enter into, execute, and deliver a State of California Standard Agreement ("Standard Agreement"), and any and all other documents required or deemed necessary or appropriate to secure the HRP Program Grant from the Department, and all amendments thereto (collectively, the "HRP Grant Documents"); and

3. City shall be subject to the terms and conditions as specified in the Standard Agreement. Funds are to be used for allowable capital asset project expenditures to be identified in Exhibit A of the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement; and
4. City hereby agrees to use the funds for eligible capital asset(s) in the manner presented in the application as approved by the Department and in accordance with the NOFA and Program Guidelines and Application Package; and

5. The City Manager or his/her designee is authorized to execute in the name of the City the HRP Program Application Package and the HRP Grant Documents as required by the Department for participation in the HRP Program; and

6. The City's General Plan is in conformance with the applicable regional blueprint plan, which is the One Bay Area Plan adopted by the Association of Bay Area Governments (“ABAG”) in July 2013, and was also in compliance with the prior regional blueprint plan, the 2007 Focus Plan, adopted in 2007. This conformance finding is based on the fact that the General Plan and the regional blueprint plan show the same boundaries for the City of Sunnyvale, and the regional blueprint plan was based on the adopted zoning and general plans of each member jurisdiction within the ABAG region, including those of the City of Sunnyvale.

Adopted by the City Council at a regular meeting held on December ___, 2013, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:                     APPROVED:

______________________________  ______________________
City Clerk  Mayor
(SEAL)

APPROVED AS TO FORM:

______________________________
City Attorney