



**DATE:** January 20, 2015

**CATEGORY:** Consent

**DEPT.:** Community Development

**TITLE:** **2013 and 2014 Housing-Related Parks Grants**

### **RECOMMENDATION**

1. Adopt a Resolution Authorizing Execution of State of California Standard Agreement for 2013 Housing-Related Parks Program Grant, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the Mountain View City Council Authorizing an Application for the 2014 Housing-Related Parks Program Grant, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Allocate the 2014 Housing-Related Parks Program Grant funds to Rengstorff Park for Community Center upgrades and improvements.

### **BACKGROUND**

The Housing-Related Parks (HRP) Program is designed to award grant funds for the rehabilitation or development of park and recreation facilities to local governments that approve housing for lower-income households. Community, senior, and teen centers meet the definition of a park facility and are eligible projects for use of the grant funding. A total of \$25 million was available for the 2013 funding round and \$35 million is available for the 2014 round. There is no maximum award per jurisdiction; however, if the total eligibility for funds exceeds the amount of funding available this round, the California Department of Housing and Community Development (HCD) may reduce all grants proportionally. The deadline for filing grant applications for the 2014 round is February 5, 2015 with grant awards being announced in June 2015.

This is a noncompetitive grant program, meaning that each jurisdiction that applies and meets the eligibility criteria will receive funding. The final grant amount awarded to each jurisdiction depends on how many affordable units are produced and how many other jurisdictions in the State receive funding.

To be eligible for the 2014 HRP Program Grant, applicants must:

- Adopt a resolution allowing the City to enter into an agreement for the funding;
- Have an adopted Housing Element that is in substantial compliance with State Housing Element law as of December 31, 2014; and
- Submit annual Housing Element progress reports for the calendar years the eligible units were constructed.

## ANALYSIS

### 2013 HRP Program Grant Application

On December 10, 2013, Council authorized the submittal of the 2013 HRP Program Grant application specifying that funds be used toward lighting and safety improvements at Rengstorff Park. Construction costs for the Rengstorff Park improvements are estimated to be close to \$730,000, with construction anticipated to commence in summer 2015 and conclude within one year.

The City was notified in June 2014 that it would receive a \$305,225 grant from the 2013 HRP Program. Recently, the HCD requested that all 2013 HRP Program grantees execute an updated resolution that specifies the exact dollar amount of the award and authorizes the City Manager to execute any necessary documents related to the acceptance of the grant. The updated resolution is attached (Attachment 1).

### 2014 HRP Program Grant Application

As in previous years, the 2014 HRP Program awards funds on a per-bedroom basis for each residential unit affordable to very low- and low-income households that was permitted during designated program years. The City gets credit for subsidized housing projects and Below-Market-Rate (BMR) rental units. Jurisdictions are eligible for \$500 per bedroom for each unit affordable to low-income households and \$750 per bedroom for each unit affordable to very low-income households. In addition to the base award, jurisdictions can also be awarded bonus grant funds.

As shown in Table 1, bonus grant funds will be awarded for the following:

- Units constructed as part of a new construction project;
- Units affordable to extremely low-income households;
- Units developed as part of infill projects;
- Park projects which will serve disadvantaged communities;
- Park projects located within park-deficient communities;
- Park projects supporting an infill project or located within a jurisdiction included in an adopted regional blueprint plan; and
- Jurisdictions demonstrating progress in increasing their overall supply of housing (this is calculated by HCD after all applications have been submitted).

**Table 1 – Bonus Awards**

		Bonus Awards per Bedroom						
		Unit-Based			Park-Based			Other
Qualifying Unit	Base Award per Bedroom	New Construction Units	ELI Units	Infill Units	Disadvantaged Community	Park-Deficient Community	Regional Blueprint/Supporting Infill	RHNA Progress*
Low-Income	\$500	\$300	N/A	\$250	\$500	\$500	\$100	\$50
Very Low-Income	\$750	\$300	\$250	\$250	\$500	\$500	\$100	\$75

\* To be determined by HCD after application submittal.

Mountain View is able to meet all of the bonus point categories and could be eligible for a \$260,000 grant, which includes the Disadvantaged Community bonus. Staff recommends using the grant funds at Rengstorff Park for the Community Center remodel since the location of the park makes the City eligible for the Disadvantaged Community bonus of \$500 per eligible bedroom, which is significant. The selection of a park project in an area eligible for the Disadvantaged Community bonus results in nearly \$55,000 in additional grant funding since the application includes 110 eligible bedrooms.

## **FISCAL IMPACT**

For the 2013 HRP Program Grant, the City of Mountain View will receive \$235,000 plus an additional \$69,325 bonus for a grand total of \$305,225. These grant funds will be used to offset the Park Land Dedication funding that has been appropriated for the City's Rengstorff Park project (15-42). The funds will be refunded to the Park Land Dedication Fund and will become available for other purposes.

For the 2014 HRP Program Grant, preliminary calculations show that the City of Mountain View could be eligible for up to \$260,000 that could be used for Community Center improvements.

## **ALTERNATIVES**

1. Choose not to approve the attached resolution (Attachment 1) and decline the 2013 HRP Program Grant funds from the State of California.
2. Use grant funds from the 2014 HRP Program Grant for improvements to a new City park at 771 North Rengstorff Avenue, which does not qualify for the Disadvantaged Community bonus of \$500 per eligible bedroom.
3. Provide other direction for the use of the 2014 HRP Program Grant funds.
4. Choose not to authorize the City to apply for the 2014 HRP Program Grant.

**PUBLIC NOTICING**

The meeting agenda and Council report have been posted on the City's website and announced on Channel 26 and cable television.

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- Attachments:
1. Resolution Accepting 2013 HRP Program Grant Funds
  2. Resolution Authorizing City to Apply for 2014 HRP Program Grant Funds