

Resolution No. 2023-XXX N.C.S. of the City of Petaluma, California

RESOLUTION OF THE PETALUMA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO SUBMIT A JOINT APPLICATION WITH DANCO COMMUNITIES< SONOMA MARING AREA RAIL TRANSIT FOR FUNDING THROUGH THE AFFORDABLE HOUSIG AND SUSTAINABLE COMMUNITIES PROGRAM FOR THE MEREDIAN AT CORONA STATION AFFORDABLE HOUSING PROJECT LOCATED AT 890 NORTH MCDOWELL BOULEVARD

WHEREAS, the State of California, the Strategic Growth Council (SGC), and the Department of Community Development (Department) issued a Notice of Funding Availability (NOFA) dated January 30, 2023, under the Affordable Housing and Sustainable Communities (AHSC) Program established under Division 44, Part 1 of the Public Resources Code commencing with Section 75200; and

WHEREAS, the City of Petaluma desires to apply for AHSC Program funds and partner with Danco Communities and Sonoma Marin Area Rail Transit (SMART) in submitting the Application Package released by the Department for the AHSC Program; and

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

WHEREAS, the Department is authorized to administer the approved funding allocations of the AHSC Program; and

WHEREAS, the City of Petaluma's General Plan promotes investment in alternative modes of transportation, including the second SMART rail station at Corona Road as called out on the Land Use Map (Figure 1-1); and

WHEREAS, the City of Petaluma's General Plan Policy 2-P-89 calls for collaboration with regional and other agencies to create a new light rail transit station near Corona Road with high intensity, transit oriented development; and

WHEREAS, the City of Petaluma's General Plan Policy 5-P-24 calls for a pedestrian network and streetscape amenities near schools, transit, shopping, and mixed use corridors and Policy 5-P-22 calls for a well-connected pedestrian network linking new and existing developments to adjacent land uses; and

WHEREAS, General Plan Policy 5-P-42 calls for expansion of the bus transit system so that it is convenient and provides frequent, regular service along major City corridors serving the SMART park and ride lot; and

WHEREAS, the City of Petaluma's General Plan supports efforts for transit oriented development along McDowell Boulevard as called out in Policy 5-P-43; and

WHEREAS, the City of Petaluma's certified Housing Element (2015-2023), Goal 4 calls for promoting the development of housing affordable to extremely low, very low, low- and moderate-income households; and

WHEREAS, the City of Petaluma's certified Housing Element (2015-2023), Policy 6.3 calls for supporting efforts to provide transitional and supportive housing to those moving from homelessness to independent living; and

WHEREAS, the City of Petaluma's certified Housing Element (2015-2023), Policy 6.6 promotes the construction of rental units for larger families; and

WHEREAS, on December 7, 2020, in accordance with Government Code Section 6651(d), the Petaluma City Council adopted Resolution No. 2020-179 N.C.S. establishing a policy to authorize an increase in the allowable units in a by right supportive housing development as prescribed by state Assembly Bill 2162 from 50 units or fewer to up to 131 units for the Meridian at Corona Station Affordable Housing Project; and

WHEREAS, as a condition of the City Council's discretionary action in approving Resolution No. 2020-179 N.C.S. for the Meridian at Corona Station Affordable Housing Project the applicant was encouraged to seek creative partnerships and funding sources to expand infrastructure, transit, and connectivity resources to the project and surrounding neighborhood; and

WHEREAS, on September 9, 2021 the City approved the Meridian at Corona Station Affordable Housing Project; and

WHEREAS, Danco Communities wishes to develop the Meridian at Corona Station project for 131 units of affordable units, including at least 33 units of supportive housing and associated services and has requested City and SMART partnership to develop regional alternative transportation infrastructure and affordable housing in part through the AHSC grant program; and

WHEREAS, the City of Petaluma considered this item at a duly noticed public meeting on March 20, 2023, at which time members of the public were provided the opportunity to provide written or oral comment; and

WHEREAS, in accordance with Government Code Section 65651, subdivision (b), paragraph (2), qualifying supportive housing projects under AB 2162 are not projects subject to the requirements of the California Environmental Quality Act (CEQA); and

WHEREAS, the item before the City Council is to authorize the City Manager to submit a joint application for funding through the AHSC program and does not create a physical change in the environment and is therefore not a project under CEQA; and

WHEREAS, the sustainable transportation and program activities identified by the City of Petaluma for inclusion in the AHSC Grant application include infrastructure improvements on North McDowell Boulevard to include additional bus stops, new and enhanced pedestrian improvements within the public right of way, a new class II bike lane on Corona Road, and enhanced transit operations on North McDowell; and

WHEREAS, the City's proposed activities consists of pedestrian, bicycle, and transit infrastructure and transit service along N. McDowell Boulevard including 1,800 feet of safe and accessible walkway on North McDowell Boulevard from the SMART rail crossing to Corona Road

and on Corona Road from McDowell Blvd to the SMART rail tracks, 1,025 feet of safe and accessible walkway on both sides of the road and 1,056 feet of Class II bike lane on Corona Road from North McDowell Blvd to Sonoma Mountain Parkway, the purchase of ZEV buses, construction of five new bus stops on McDowell Blvd, and operational funding to increase the frequency of Petaluma Transit on North McDowell; and

WHEREAS, all improvements will occur within or immediately adjacent to the existing right-of-way and there is negligible or no expansion of use beyond what currently exists and there are no cumulative impacts, unusual circumstances or other factors that would make the exemption inapplicable; Therefore, the project is exempt under CEQA Guidelines Section 15301 (c), Existing Facilities, including the addition of bicycle facilities, bicycle lanes, transit improvements and service frequency, pedestrian crossings, and similar alterations that do not create additional automobile lanes.

WHEREAS, the project is also exempt pursuant to CEQA Guidelines Section 15304 (h), Minor Alterations to land including the creation of bike lanes, sidewalks, and transit infrastructure within the existing right-of-way; and

WHEREAS, the increase of transit service frequency is exempt under Public Resources Code section 21080(b)(10) and CEQA Guidelines Section 15275 Specified Mass Transit Projects.

NOW, THEREFORE, BE IT RESOLVED by the Petaluma City Council as follows:

1. Finds that the above recitals are true and correct and are incorporated into this resolution as findings of the City Council.
2. Finds that the action to authorize partnership in the AHSC grant funding application in and of itself does not create a physical change in the environment and therefore is not a project under CEQA.
3. Finds that the City's proposed activities consists of pedestrian, bicycle, and transit infrastructure and transit service along N. McDowell Boulevard including 1,800 feet of safe and accessible walkway on North McDowell Boulevard from the SMART rail crossing to Corona Road and on Corona Road from McDowell Blvd to the SMART rail tracks, 1,025 feet of safe and accessible walkway on both sides of the road and 1,056 feet of Class II bike lane on Corona Road from North McDowell Blvd to Sonoma Mountain Parkway, the purchase of ZEV buses, construction of five new bus stops on McDowell Blvd, and operational funding to increase the frequency of Petaluma Transit on North McDowell.. All improvements will occur within or immediately adjacent to the existing right-of-way. There is negligible or no expansion of use beyond what currently exists and there are no cumulative impacts, unusual circumstances or other factors that would make the exemption inapplicable. Therefore, the project is exempt under CEQA Guidelines Section 15301 (c), Existing Facilities, including the addition of bicycle facilities, bicycle lanes, transit improvements and service frequency, pedestrian crossings, and similar alterations that do not create additional automobile lanes. Additionally, the project is exempt pursuant to CEQA Guidelines Section 15304 (h), Minor Alterations to land including the creation of bike lanes, sidewalks, and transit infrastructure within the existing right-of-way.
4. The increase of transit service frequency is exempt under Public Resources Code section 21080(b)(10) and CEQA Guidelines Section 15275 Specified Mass Transit Projects.

5. The Council authorizes and directs Staff to work with Danco Communities to apply for and submit to the Department the AHSC Program Application as detailed in the NOFA dated January 30, 2023, in a total amount of approximately \$6,000,000 for a grant for Sustainable Transportation (STI) and Program (PGM) activities (“AHSC Grant”) as defined the AHSC Program Guidelines. This compliments the joint application with SMART in the amount of approximately \$7,000,000 for additional Sustainable Transportation (STI) and Transit Related Amenities (TRA) activities associated with the Corona Station SMART rail station and with Danco Communities in an amount up to \$35,000,000 for the affordable housing project.
6. If the application is approved, the Applicant is hereby authorized and directed to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) in a total amount of approximately \$6,000,000, and any and all other document required or deemed necessary or appropriate to secure the AHSC Program funds from the Department, and all amendments thereto (collectively, the “AHSC Documents”).
7. The 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. Applicant 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.
8. If awarded, the City will enter into an agreement with Danco Communities assigning the construction and development responsibilities, including procurement, labor standards, and other requirements of the Standard Agreement as necessary to complete the project to Danco Communities, which will indemnify the City, assuming full responsibility for grant performance.
9. The City Manager or her designate is hereby authorized to enter into and sign the grant agreement and execute in the name of the Applicant the AHSC Program Application Package and the AHSC Program Documents as required by the Department for participation in the AHSC Program.

Under the power and authority conferred upon this Council by the Charter of said City.

REFERENCE:

I hereby certify the foregoing Resolution was adopted by the Council of the City of Petaluma at a Regular meeting on the 20th day of March 2023, by the following vote:

Approved as to
form:

City Attorney

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

City Clerk

Mayor

