



STAFF REPORT

DATE: July 27, 2020

TO: Sacramento Regional Transit Board of Directors

FROM: Brent Bernegger, VP, Finance/CFO

SUBJ: AUTHORIZE THE GENERAL MANAGER/CEO TO SUBMIT AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT UNDER THE TRANSIT-ORIENTED DEVELOPMENT HOUSING PROGRAM

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approval of this action will authorize the General Manager/CEO to submit an application to the California Department of Housing and Community Development under the Transit-Oriented Development (TOD) Housing Program.

FISCAL IMPACT

Allows the General Manager/CEO to apply for \$2.55 million of TOD funding in FY20-21 for low-floor light rail station conversions at 13th Street and Archives Plaza along the Gold Line. As part of the grant application, SacRT is committing to provide a 50% discount for 56 monthly passes over four years at a maximum fare revenue loss of \$134,400 (\$33,600 per year). Grant funds cannot be used to reimburse SacRT for the monthly passes. If grant funding is not awarded, SacRT and its project partner, Capital Area Development Authority (CADA) will determine alternative means to supply the monthly passes.

DISCUSSION

On April 30, 2020, the California Department of Housing and Community Development announced the release of a Notice of Funding Availability (NOFA) for approximately \$141 million in funds for the TOD Housing Program. These funds provide low-interest permanent loans to eligible Sponsors for Rental Housing Developments and grants to localities and public transit agencies for infrastructure projects. These funds will be used to provide financial assistance for Rental Housing Developments and Infrastructure Projects in support of higher-density affordable and mixed-income housing and mixed-use infill development projects. The primary objectives are to increase the overall supply of housing, increase the supply of affordable housing, increase public transit ridership, and minimize automobile trips.

SacRT is partnering with CADA to build stronger community relationships and leverage the specialties of both agencies. SacRT's FY 20-21 TOD Housing Program request is for the conversion of the 13th Street and Archives Plaza light rail stations to allow low-floor light rail vehicles to serve this station.

The estimated total cost for the conversion of the two light rail stations is \$3.43 million, SacRT has already secured \$880,000 for this project. The station conversions are part of the Light Rail Modernization Project Phase 1 (Gold Line) which intends to significantly improve access, reliability and capacity on SacRT's light rail system and consists of three major components: procurement of new low-floor light rail vehicles (LRV), conversion of all 29 Gold Line light rail stations, and track and signal work needed to provide 15 minute service to the Historic Folsom Light Rail Station.

CADA has a TOD project at 1322 O Street, approximately 2 blocks from the Archives Plaza light rail station. SacRT will partner with CADA by providing monthly passes to all 56 low income units for four years. If SacRT is awarded funding, SacRT will provide a 50% discount for 56 monthly passes over four years. By providing this discount, this will strengthen SacRT's chances of receiving the award and provide an incentive to attract new riders to the system. If grant funding is not awarded, SacRT and CADA will determine alternative means to supply the monthly passes.

Staff recommends that the Board authorize the General Manager/CEO to apply for a TOD grant from the California Department of Housing and Community Development.

RESOLUTION NO. 20-07-0072

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

July 27, 2020

AUTHORIZE THE GENERAL MANAGE/CEO TO SUBMIT AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT UNDER THE TRANSIT-ORIENTED DEVELOPMENT HOUSING PROGRAM

WHEREAS, the California Department of Housing and Community Development ("Department") has issued a Notice of Funding Availability ("NOFA") dated April 30, 2020, under the Transit-Oriented Development ("TOD") Housing Program; and

WHEREAS, the Sacramento Regional Transit District (SacRT) desires to apply for and receive an allocation of funds through the TOD Program for the 13th St. and Archives Plaza Light Rail Station Conversion; and

WHEREAS SacRT is an Eligible Applicant under the TOD Program and desires to apply for a TOD Program Grant ("TOD Grant") in an amount not to exceed \$2,550,000 to develop infrastructure in support of affordable housing ("TOD Project") under the above described NOFA.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, Sacramento Regional Transit District (SacRT) is hereby authorized and directed to act in connection with the Department's TOD Grant pursuant to the above-mentioned NOFA.

THAT, in connection with the SacRT's TOD Grant, SacRT is authorized and directed to enter into, execute, and deliver a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above Resolution, in order to evidence the TOD Grant, the SacRT's obligations related thereto, and the Department's security therefore; including, but not limited to, an affordable housing covenant, a performance deed of trust, a disbursement agreement, and certain other documents required by the Department as security for, evidence of or pertaining to the TOD Grant, and all amendments thereto (collectively, the "TOD Grant Documents").

THAT, the General Manager/CEO is hereby authorized to execute the TOD Grant Documents, and any amendment or modifications thereto, on behalf of the SacRT.

RESOLVED FURTHER: That this Resolution shall take effect immediately upon its passage.

STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary