

## **STAFF REPORT**

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**DATE:** March 28, 2022

**TO:** Sacramento Regional Transit Board of Directors

**FROM:** Jamie Adelman, Acting VP, Finance/CFO

**SUBJ:** RESCIND RESOLUTION NO. 20-07-0072; AUTHORIZE THE GENERAL MANAGER/CEO TO SUBMIT AN APPLICATION FOR TWO PROJECTS TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT UNDER THE TRANSIT-ORIENTED DEVELOPMENT HOUSING PROGRAM

### RECOMMENDATION

Adopt the Attached Resolutions.

### RESULT OF RECOMMENDED ACTION

Approval of this action will rescind Resolution 20-07-0072, the previously approved single Resolution to apply for funding on two projects and 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 with the requested separate Board approved Resolutions.

### FISCAL IMPACT

There is no change to the total fiscal impact as originally approved by the Board in July 2020. The fiscal impact is being allocated to projects as follows:

13<sup>th</sup> Street Station Conversion - \$1,062,241  
Archives Plaza Station Conversion - \$990,841

In addition, as part of the grant application, SacRT is committing to provide 50% discount for 56 monthly passes over four years at a maximum fare revenue loss of \$134,400 (\$33,600 per year). Grant funding 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 will determine alternative means to supply the monthly passes.

### DISCUSSION

The Boards approved Resolution 20-07-0072 authorizing the General Manager/CEO to submit an application to the California Department of Housing and Community Development under the Transit-Oriented Development Housing Program on July 27, 2020. SacRT applied for funding under that authority submitting a single Board approved

Resolution for both the 13<sup>th</sup> Street light rail station conversion and the Archives Plaza light rail station conversion. The granting agency has contacted SacRT and requested a separate Resolution for each project. There has been no change in the scope of the project or the requirements of the grant. The original discussion from the July 27, 2020 staff report is provided below for informational purposes.

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 rescind Resolution 20-07-0072 and approve the attached Resolutions.

RESOLUTION NO. 2022-03-029

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

March 28, 2022

**RESCIND RESOLUTION NO. 20-07-0072; AUTHORIZE THE GENERAL MANAGER/CEO TO SUBMIT AN APPLICATION FOR THE 13<sup>TH</sup> STREET STATION CONVERSION PROJECT 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

**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 \$1,062,241 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, the Board hereby rescinds Resolution No. 20-07-0072.

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.

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STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary

RESOLUTION NO. 2022-03-030

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

March 28, 2022

**AUTHORIZE THE GENERAL MANAGER/CEO TO SUBMIT AN APPLICATION FOR THE ARCHIVES PLAZA STATION CONVERSION PROJECT 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 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 \$990,841 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.

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STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary