



MEMORANDUM

TO: CITY COUNCIL

FROM: TERESA MCCLISH, COMMUNITY DEVELOPMENT DIRECTOR

BY: *K.H.* KELLY HEFFERNON, ASSOCIATE PLANNER

SUBJECT: CONSIDERATION OF A RESOLUTION AUTHORIZING SUBMITTAL OF A GRANT APPLICATION THROUGH THE SUSTAINABLE COMMUNITIES PLANNING GRANT AND INCENTIVES PROGRAM UNDER PROPOSITION 84 TO FUND DEVELOPMENT OF A CLIMATE ACTION PLAN (CAP) IMPLEMENTATION PROGRAM TOOLKIT

DATE: FEBRUARY 25, 2014

RECOMMENDATION:

It is recommended the City Council adopt a Resolution as the "lead" applicant authorizing submittal of a grant application to the Strategic Growth Council for development of a Climate Action Plan (CAP) Implementation Program Toolkit ("Toolkit") for use by participating jurisdictions within San Luis Obispo County.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The grant application includes a matching fund requirement of ten percent (10%). Five percent (5%) of the match can be met through "in-kind" services with the remaining balance required in cash. The County of San Luis Obispo has agreed to use EnergyWatch funds for the cash match. There will be no cost to the City. There will be no staffing requirements to serve as the lead agency. There will be some impact on staffing to participate in the program, but utilizing development of the CAP implementation program toolkit should reduce overall staff work already required to implement the CAP that has been approved.

BACKGROUND:

The Sustainable Communities Planning Grant Program (the "Grant Program") is administered through the State's Strategic Growth Council and funded by Proposition 84, Chapter 9 funds from the Safe Drinking Water, Water Quality, Flood Control, River and Coastal Protection Act of 2006.

This Grant Program implements the vision of the Governor and Legislature to foster the development of sustainable communities throughout California. It is designed to help local governments meet the challenges of adopting land use plans and integrating strategies in order to transform communities and create long-term prosperity. Sustainable communities are to promote equity, strengthen the economy, protect the

CITY COUNCIL

CONSIDERATION OF A RESOLUTION AUTHORIZING SUBMITTAL OF A GRANT APPLICATION THROUGH THE SUSTAINABLE COMMUNITIES PLANNING GRANT AND INCENTIVES PROGRAM UNDER PROPOSITION 84 TO FUND DEVELOPMENT OF A CLIMATE ACTION PLAN (CAP) IMPLEMENTATION PROGRAM TOOLKIT FEBRUARY 25, 2014

PAGE 2

environment and promote healthy, safe communities. The primary goal of the Grant Program is to develop and implement plans that reduce greenhouse gas emissions and achieve the following objectives:

Grant Objectives

- Improve Air and Water Quality
- Promote Equity
- Increase Infill & Compact Development
- Protect Natural Resources & Ag Lands
- Improve Infrastructure Systems
- Promote Energy Efficiency & Conservation
- Promote Public Health
- Increase Housing Affordability
- Revitalize Urban & Community Centers
- Reduce Auto Usage & Fuel Consumption
- Promote Water Conservation
- Strengthen the Economy

The intent of Focus Area #1 of the Grant Program is to support the development and implementation of effective and/or innovative local plans that support the state's AB 32 greenhouse gas (GHG) emission reduction targets and implement SB 375, while creating sustainable communities. One example of an eligible proposal is to develop implementation instruments to meet the goals of the Grant Program.

The City Council adopted a CAP to comply with State regulations on November 26, 2013.

ANALYSIS OF ISSUES:

The CAP includes numerous implementation "action" measures to reduce GHG emissions to achieve the goals of the plan. Other responsibilities to implement the City's CAP include tracking, monitoring and reporting on the City's progress. The City does not have a tracking or monitoring system for this purpose. A Toolkit can be developed to assist the City (and participating agencies) by outside consultants to track and monitor CAP implementation. A cost estimate to develop such a program is approximately \$125,000.

The Strategic Growth Council has circulated the third and final round of the Proposition 84 grant application program. Development of a CAP Implementation Toolkit that could be used by all jurisdictions in the County is an eligible project for funding under this grant program. The grant application requires a "lead" applicant and a Resolution approving the lead applicant to apply for the grant. The County and other city participants are not able to include this item on an agenda in time to meet the grant application deadline of February 28th. Staff is therefore requesting the City Council consider taking the position of lead applicant to assist in applying for this grant.

CITY COUNCIL

**CONSIDERATION OF A RESOLUTION AUTHORIZING SUBMITTAL OF A GRANT APPLICATION THROUGH THE SUSTAINABLE COMMUNITIES PLANNING GRANT AND INCENTIVES PROGRAM UNDER PROPOSITION 84 TO FUND DEVELOPMENT OF A CLIMATE ACTION PLAN (CAP) IMPLEMENTATION PROGRAM TOOLKIT
FEBRUARY 25, 2014**

PAGE 3

Rincon Consultants is able to prepare the grant application at no cost to the City. The San Luis Obispo County Air Pollution Control District is available to assist in grant administration and project management. Therefore, no additional work appears to be necessary as the lead agency.

Some CAP measures can be implemented through collaboration with other jurisdictions since there are measures that are similar in each of the seven cities and the County (e.g. education and outreach). Other measures are unique to each community and must be implemented locally. Staff is working with our local partners to identify the most efficient and cost-effective ways to implement the City's CAP. Development of a Toolkit that can be used by each community (independently) would be a cost-efficient method to proceed on this particular component of CAP implementation.

Many measures are already being voluntarily implemented, yet the City has no system to track our progress. Additionally, since tracking measures requires data from several departments, and in some cases, data from other agencies (i.e. traffic model and population data), it would be extremely helpful to have a tracking program to manage it.

Participation in the grant application as the "lead" applicant only involves submitting the attached resolution approving the City's participation. If the City and partners are successful with the grant application, the City would only need to commit its proportionate share of in-kind services and accept participation in the grant.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Adopt the attached Resolution to approve applying for the Strategic Growth Council Proposition 84 Grant Program as "lead" applicant.
2. Modify and adopt the Resolution;
3. Do not agreed to be the lead agency or agree to participate; or
4. Provide direction to staff.

ADVANTAGES:

Submittal of the grant application could result in the awarding of funds that would cover the cost of developing a tracking program (Toolkit) to implement the various action measures contained in the City's CAP and continue coordination with other agencies in the county.

DISADVANTAGES:

If the grant is approved, staff will need to contribute in-kind services up to \$2,000. However, if no application is made, or the grant is not awarded, the City will likely need to dedicate more staff time to create and implement a monitoring program for the CAP.

**CITY COUNCIL
CONSIDERATION OF A RESOLUTION AUTHORIZING SUBMITTAL OF A GRANT
APPLICATION THROUGH THE SUSTAINABLE COMMUNITIES PLANNING GRANT
AND INCENTIVES PROGRAM UNDER PROPOSITION 84 TO FUND DEVELOPMENT
OF A CLIMATE ACTION PLAN (CAP) IMPLEMENTATION PROGRAM TOOLKIT
FEBRUARY 25, 2014
PAGE 4**

ENVIRONMENTAL REVIEW:

None required for grant applications.

PUBLIC NOTIFICATION AND COMMENTS:

The agenda was posted in front of City Hall on Thursday, February 20, 2014. The Agenda and report were posted on the City's website on Friday, February 21, 2014. No public comments were received.

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING THE APPLICATION FOR GRANT FUNDS FOR THE SUSTAINABLE COMMUNITIES PLANNING GRANT AND INCENTIVES PROGRAM UNDER THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACTION OF 2006 (PROPOSITION 84) FOR THE CLIMATE ACTION PLAN IMPLEMENTATION TOOLKIT

WHEREAS, the Legislature and Governor of the State of California have provided funds for the Sustainable Communities Planning Grant and Incentives Program; and

WHEREAS, the Strategic Growth Council has been delegated the responsibility for the administration of this grant program, establishing necessary procedures; and

WHEREAS, said procedures established by the Strategic Growth Council require a resolution certifying the approval of applications by the Applicants governing board before submission of said applications to the State; and

WHEREAS, the applicant, if selected, will enter into an agreement with the State of California to carry out the development of the proposal ("Proposal").

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Arroyo Grande:

1. Approves the filing of an application for the Climate Action Plan Implementation Toolkit in order to become a sustainable community; and
2. Certifies that the City of Arroyo Grande understands the assurances and certification in the application; and
3. Certifies that the City of Arroyo Grande will have sufficient funds to develop the Proposal or will secure the resources to do so; and
4. Certifies that the Proposal will comply with any applicable laws and regulations; and
5. Appoints the Community Development Director, or designee, as agent to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, payment

RESOLUTION NO.
PAGE 2

requests and so on, which may be necessary for the completion of the
aforementioned project.

On motion of Council Member _____, seconded by Council Member _____,
and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:

the foregoing Resolution was passed and adopted this 25th day of February, 2014.

**RESOLUTION NO.
PAGE 3**

TONY FERRARA, MAYOR

ATTEST:

KELLY WETMORE, CITY CLERK

APPROVED AS TO CONTENT:

STEVEN ADAMS, CITY MANAGER

APPROVED AS TO FORM:

TIMOTHY J. CARMEL, CITY ATTORNEY

THIS PAGE INTENTIONALLY LEFT BLANK