

PLACER COUNTY

COMMUNITY DEVELOPMENT GRANTS AND LOANS

MEMORANDUM

TO: Honorable Board of Supervisors
FROM: Richard E. Colwell, Chief Assistant CEO
DATE: October 6, 2009
SUBJECT: Adopt a Resolution to Authorize the Chief Assistant CEO or Designee to Submit a 2009-10 Community Development Block Grant Over-the-Counter Application in the Amount of Up to \$2,500,000 for Hilltop Center Public Improvements in Bowman Upon Fulfillment of Grant Application Requirements by the Hilltop Center Developer and Authorize the Chief Assistant CEO or Designee to Execute all Associated Documents.

ACTION REQUESTED

Adopt a resolution authorizing the Chief Assistant CEO or designee to submit a 2009-10 Community Development Block Grant (CDBG) Over-the-Counter (OTC) application in the amount of up to \$2,500,000 for Hilltop Center public improvements in Bowman upon fulfillment of grant application requirements by the Hilltop Center developer and authorizing the Chief Assistant CEO or designee to execute all associated documents.

BACKGROUND

The California Department of Housing and Community Development (HCD) manages an OTC Economic Development grant program of federal CDBG funds. The program can fund public improvements which support private development that creates new jobs. The OTC program has a \$2,500,000 annual limit, per local jurisdiction. The Hilltop Center in Bowman is a proposed hotel and mixed-use retail center located along Bowman Road between Luther Road and Mill Pond Road in Bowman. It is proposed that Placer County (County) apply for an OTC grant of up to \$2,500,000 to fund the public improvements associated with the project. The Hilltop Center will create at least 75 full-time jobs and the total project construction, including the public improvements, is estimated to cost approximately \$29,000,000.

The proposed Hilltop Center will consist of a 142-room hotel complex with retail and commercial space, and two restaurants. Phase I will consist of the main hotel building at +/- 92,779 square foot, with 127 rooms, 139 surface parking spaces, a pool, and deck area. Phase II will consist of a mixed-use building which will include a restaurant, commercial, and retail uses with associated parking on the ground floor and 15 hotel suites on the second floor. A +/- 2,000 square foot restaurant with an outdoor seating area and ancillary parking is proposed on the southern portion of the property.

The project applicant also proposes to construct the following public improvements, to be funded by the CDBG OTC grant.

- Curb, gutter, sidewalk, and street lights along Bowman Road including installation of a bicycle lane, left-hand turn lane, and restriping of street
- Property drainage
- Sanitary sewer pipes and bypass
- Entry road
- Retaining walls
- Fire tank with hydrant
- Emergency vehicle road including gate

The grant application is being prepared in collaboration with the Hilltop Center developer. Submittal of the application is contingent upon the ability of the Hilltop Center developer to meet the application conditions required by HCD.

If the County is successful in obtaining this grant, a proposed development agreement will be brought to your Board to define and memorialize the respective responsibilities and roles of the County, Redevelopment Agency, and private developer.

FISCAL IMPACT

Improvements to the private property funded by the developer will result in reassessment of the property and increased property tax revenue to County. The cost of the public improvements will be paid by the Federal grant passed through the State. Maintenance of the improvements will be the ongoing responsibility of the center property owners. County and Redevelopment Agency staff costs would be reimbursable by the grant and no cost would be charged against the General Fund.

ENVIRONMENTAL STATUS

In compliance with the California Environmental Quality Act, on August 12, 2008, the County prepared and adopted a Mitigated Negative Declaration for the proposed project. The action of applying for this grant does not trigger the requirements of the National Environmental Policy Act (NEPA), however the release of funds does. County staff is currently working on the environmental assessment to comply with NEPA. This analysis as well as the request for and issuance of a Finding of No Significant Impact will be completed prior to the release of funds for the project.

RECOMMENDATION

Adopt a resolution to authorize the Chief Assistant CEO or designee to submit a 2009-10 CDBG OTC application in the amount of up to \$2,500,000 for Hilltop Center public improvements in Bowman upon fulfillment of grant application requirements by the Hilltop Center developer and authorize the Chief Assistant CEO or designee to execute all associated documents.

Attachment: Resolution
Map of Site

cc: Karin Schwab, Deputy County Counsel
James LoBue, Redevelopment Agency Deputy Director

Before The Board Of Supervisors County of Placer, State of California

In the matter of:

Authorizing the Chief Assistant CEO or designee to submit a 2009-10 Community Development Block Grant Over-the-Counter application in the amount of up to \$2,500,000 for the Hilltop Center public improvements in Bowman upon fulfillment of grant application requirements by the Hilltop Center developer and authorizing the Chief Assistant CEO or designee to execute all associated documents

Resol. No: _____

Ord. No: _____

First Reading: _____

The following Resolution _____ was duly passed by the Board of Supervisors

of the County of Placer at a regular meeting held _____,

by the following vote on roll call:

Ayes:

Noes:

Absent: _____

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of the Board

WHEREAS, the County of Placer, a political subdivision of the State of California wishes to apply for and receive Over-The-Counter Funds made available by the California Department of Housing and Community Development (HCD);

WHEREAS, HCD notified eligible Community Development Block Grant (CDBG) jurisdictions of the release of the CDBG Economic Development Allocation Notice of Funding Availability (NOFA) July 2009;

WHEREAS, a public hearing was held by Placer County on August 10, 2009 to inform area residents and property owners and other interested persons of the CDBG program and receive comment;

WHEREAS, on September 22, 2009 the Placer County Board of Supervisors held a public hearing to inform and seek public input on the 2009-10 CDBG Over-The-Counter (OTC) Economic Development application;

Whereas, the County of Placer has prepared an application for CDBG funding for the purpose of constructing public improvements in the support of its Economic Development Program;

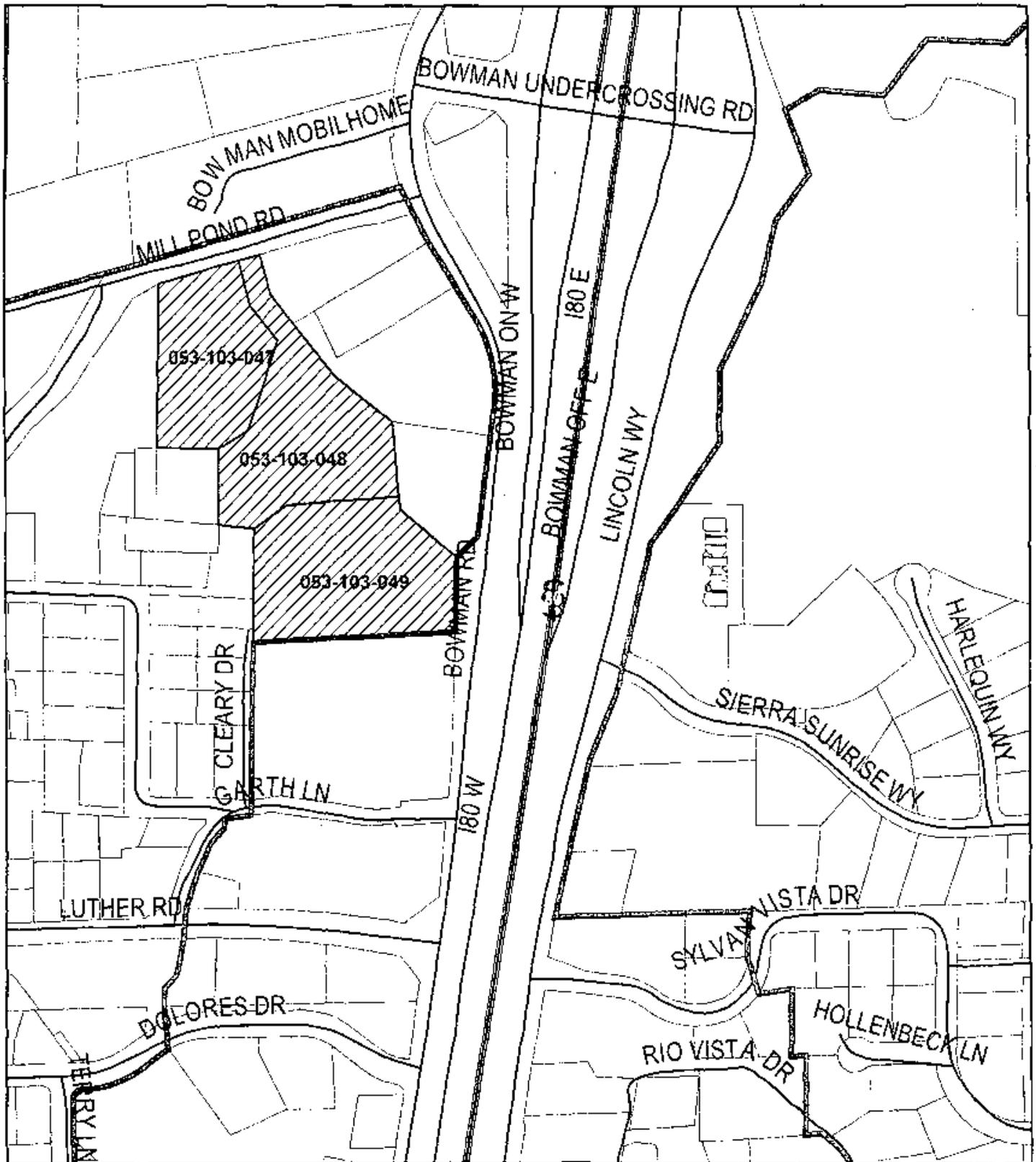
Whereas, the County of Placer hereby agrees to comply with all assurances executed in connection with the application if awarded the grant;

Whereas, the County of Placer understands its obligation to repay CDBG funds in the event that this activity is determined to be ineligible;

WHEREAS, the proposed OTC Grant application was prepared in compliance with federal statutes and state regulations in the preparation of the application, including citizen participation requirements.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors, County of Placer, approves that, upon fulfillment of grant application requirements by the Hilltop Center developer, an application for up to \$2,500,000 in CDBG funds, to be used for the Hilltop Center public improvements in Bowman is authorized to be submitted to the State Department of Housing and Community Development.

BE IT FURTHER RESOLVED, by the Board of Supervisors of the County of Placer, that if the application is approved, the Chief Assistant CEO or designee is hereby authorized and empowered to execute for the County of Placer all necessary application contracts, grant agreements, and amendments thereto with the State of California to implement and carry out the purpose specified in the CDBG application for the above noted OTC Grant, including all understandings and assurances contained therein.



HILLTOP CENTER



RDA Project Area



Hilltop Center Site