



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 18, 2023

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARDS: ALL
DEPARTMENT

SUBJECT: MEMORANDUM OF UNDERSTANDING WITH SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS FOR THE TRANSFORMATIVE CLIMATE
COMMUNITIES RIVERSIDE TECHNICAL ASSISTANCE PROJECT

ISSUES:

Approve the Memorandum of Understanding between the Southern California Association of Governments (SCAG) and the City of Riverside for the Transformative Climate Communities (TCC) Riverside Technical Assistance Project.

RECOMMENDATIONS:

That the City Council:

1. Approve the Memorandum of Understanding between SCAG and the City of Riverside for the TCC Riverside Technical Assistance Project (Attachment 1).
2. Authorize the City Manager, or designee, to execute all necessary documents to effectuate the MOU, including making minor and non-substantive changes including but not limited to extensions of the Regional Early Action Plan expenditure deadline.

BACKGROUND:

Transformative Climate Communities Grant

In June 2020, the California Strategic Growth Council (SGC) awarded the City of Riverside and its community partners, jointly as the Eastside Climate Collaborative, two grants totaling \$31,221,206 from the Transformative Climate communities (TCC) and Affordable Housing and Sustainable Communities (AHSC) Grant Programs with funds from California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment with a particular focus in disadvantaged communities. The Eastside Climate Collaborative Project Area centers around the Entrada affordable housing development at 7th Street and Chicago Avenue and encompasses most of the Eastside and University Neighborhoods.

The TCC and AHSC Grants are offered by the California Strategic Growth Council to fund affordable housing, smart transit and walkable communities, urban greening, and solar and water/power efficiency projects, among a wide range of activities. Everything funded under the Grants must lead to greenhouse gas reductions and healthier communities over time.

Regional Early Action Planning Grant

Under the California 2019-2020 Budget Act, the Southern California Association of Governments (SCAG) was awarded \$47 million in Regional Early Action Planning (REAP) funding to support local governments and stakeholders with housing planning activities that accelerate housing production and meet the region's goals for producing 1.3 million new units of housing by 2029, as determined by the 6th Cycle Regional Housing Needs Assessment (RHNA). A portion of these REAP funds are set aside to support the TCC program with the goal of furthering housing supportive land use analysis and strategy development.

The proposed technical assistance would consist of consultant staff time to assist City staff in reviewing and processing housing development applications within the Eastside Climate Collaborative TCC Project Area (Attachment 2). The intent is to facilitate and expedite the creation of new housing, including housing affordable to lower-income households, within the TCC Project Area.

DISCUSSION:

The City is experiencing staffing challenges in the Community & Economic Development Department, particularly the Planning Division. Vacancies on the Current Planning Team have resulted in challenges processing development entitlement applications. The City will use contract Planning Staff, furnished by SCAG through its REAP Local Technical Assistance program, to offset current vacancies and act as dedicated Planning Staff for housing development applications within the TCC Project Area.

On December 23, 2022, SCAG issued a Request for Proposals for professional consulting services to assist City staff in reviewing and processing housing development applications within the Eastside Climate Collaborative Transformative Climate Communities (TCC) Project Area. SCAG has completed negotiations with a selected Consultant and will issue a Notice to Proceed to begin delivering services to the City upon adoption of the attached MOU.

Contract Planning Staff would streamline the review and approval of housing development applications in the TCC Project Area while further acting as a dedicated point of contact within the Planning Division for housing developer inquiries and requests for assistance and information within the TCC Project Area, which is an important strategy for attracting and encouraging additional housing production. An initial list of proposed or prospective housing development projects within the TCC Project Area which would facilitate the production of up to 1,022 new housing units, including up to 250 affordable units. Contract Planning Staff provided by SCAG would be assigned to these projects as well as any other qualifying housing entitlement applications within the Project Area. The term of the technical assistance would be through January 31, 2024.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 5 – High-Performing Government**, and **Goal 5.4 – Achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.**

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The MOU will facilitate the enhancement of City services by providing additional staff resources to timely process residential development applications in the TCC

Project Area.

2. **Equity** – The MOU will facilitate the creation of housing affordable to a variety of households of all income levels, with a particular focus on bringing needed affordable housing to environmental justice communities.
3. **Fiscal Responsibility** – The MOU will enable the City to leverage substantial private and public investment in the TCC Project Area to enhance service delivery and expedite the production of housing at no cost to the City.
4. **Innovation** – The MOU is a creative strategy to leverage State resources and regional partnerships to support housing production in a nimble and efficient manner.
5. **Sustainability & Resiliency** – The MOU will directly and indirectly support the Eastside Climate Collaborative TCC project's objectives to support sustainable development and reduce greenhouse gas emissions in environmental justice communities.

FISCAL IMPACT:

There fiscal impact associated with this MOU. All costs will be borne by SCAG.

Prepared by: Jennifer A. Lilley, Community & Economic Development Director
Certified as to
availability of funds: Edward Enrique, Assistant City Manager/Chief Financial Officer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: 1. Memorandum of Understanding
2. TCC Project Area