



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	5/25/2021
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10630 - A Resolution of the City Council of the City of Folsom Approving a Grant in the Amount of \$150,693.75 to Bidwell Place, LP for Construction of the 75-unit Bidwell Place Affordable Multifamily Project, and Appropriation of Funds
<b>FROM:</b>	Community Development Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

Move to Adopt Resolution No. 10630 - A Resolution of the City Council of the City of Folsom Approving a Grant in the Amount of \$150,693.75 to Bidwell Place, LP for Construction of the 75-unit Bidwell Place Affordable Multifamily Project, and Appropriation of Funds.

### **BACKGROUND / ISSUE**

In May 2000, the Sacramento Regional County Sanitation District (Regional San) formed the Economic Development Treatment Capacity Bank to provide reduced sewer impact fees for local jurisdictions to encourage economic development in the region. Through this program the City received an allocation of credits (referred to as sewer fee credits) to help attract new business to Folsom as well as assist with the development of affordable housing and infill transit-oriented developments.

On April 14, 2020 the City Council adopted Resolution No. 10410, which approved an affordable housing loan in the amount of \$4,150,000 from the City's Housing Fund to Bidwell Place, LP, and authorized the use of up to 60 Regional San sewer fee credits for the construction of 75 affordable housing units at the Bidwell Place multifamily affordable housing development.

On December 30, 2020, the Regional San sewer fee credit program ended, and the City received a cash out amount of \$293,954.11, which represented the cash value of the balance of sewer credits that were remaining on December 30, 2020. These funds were deposited into the City's General Fund.

Since the Regional San sewer fee credit program has ended, the allocated sewer fee credits approved by City Council for the Bidwell Place project are no longer available. To off-set the loss of the sewer fee credits, the developer is requesting a grant from the City to assist with the construction of the Bidwell Place project in an amount equal to 60 sewer fee credits. The requested grant amount is \$150,693.75, which represents the monetary value of sewer fee credits that Bidwell Place would have received for the project.

City Council is being asked to adopt a resolution that would approve the grant funding.

### **POLICY / RULE**

This grant award requires City Council approval.

### **ANALYSIS**

The Bidwell Place project is a 75-unit 100% affordable multifamily, mixed use housing project on the 3.24-acre Bank of America site located on East Bidwell Street between Rumsey Way and Market Street (403 East Bidwell Street). The development includes studio, one, and two-bedroom floor plans, with a density of approximately 33.3 dwelling units per acre and will serve a mix of extremely low, very-low- and low-income households.

As previously stated, City Council authorized up to 60 sewer fee credits for the Bidwell Place Project on April 14, 2020; however, these credits are no longer available as the sewer fee credit program ended on December 30, 2020.

Financial support of this affordable housing project is consistent with the City's Housing Element Goal of facilitating affordable housing. Based on City Council's previous commitment to award up to 60 sewer fee credits to Bidwell Place and the fact that the City received a cash out amount from Regional San for the sewer credits, staff is supportive of the developer's request for a \$150,693.75 affordable housing grant.

### **FINANCIAL IMPACT**

An appropriation of \$150,693.75 from the City's General Fund (Fund 010) is required to fund this grant. The City received a cash out of its sewer fee credits from Regional San in the amount of \$293,954.11, which was deposited into the City's General Fund. The requested grant of \$150,693.75 represents just over half of the amount the City received from Regional San.

## **ENVIRONMENTAL REVIEW**

The Bidwell Place project was determined by the Planning Commission on May 6, 2020 to be categorically exempt from the California Environmental Quality Act (CEQA) under Public Resources Code Sections 21159.21 and 21159.23 as further described in Sections 15192 and 5194 (Affordable Housing Exemption) of the CEQA Guidelines.

## **ATTACHMENTS**

Resolution No. 10630 - A Resolution of the City Council of the City of Folsom Approving a Grant in the Amount of \$150,693.75 to Bidwell Place, LP for Construction of the 75-unit Bidwell Place Affordable Multifamily Project, and Appropriation of Funds

Submitted,



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Pam Johns, Community Development Director

**RESOLUTION NO. 10630**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM APPROVING  
A GRANT IN THE AMOUNT OF \$150,693.75 TO BIDWELL PLACE, LP FOR  
CONSTRUCTION OF THE 75-UNIT BIDWELL PLACE AFFORDABLE  
MULTIFAMILY PROJECT, AND APPROPRIATION OF FUNDS**

**WHEREAS**, the Sacramento Regional County Sanitation District (Regional San) established the Economic Development Treatment Capacity Bank in 2006 to provide reduced sewer impact fees for local jurisdictions to encourage economic development in the region; and

**WHEREAS**, through this program the City received an allocation of credits to help attract new business to Folsom as well as assist with the development of affordable housing and infill transit-oriented developments; and

**WHEREAS**, on April 14, 2020 the City Council adopted Resolution No. 10410, which approved an affordable housing loan in the amount of \$4,150,000 from the City's Housing Fund to Bidwell Place, LP, and authorized the use of up to 60 Regional San sewer fee credits for the construction of 75 affordable housing units at the Bidwell Place multifamily affordable housing development.; and

**WHEREAS**, on December 30, 2020 the Regional San sewer fee credit program ended and the City received a cash out amount of \$293,954.11, which represented the cash value of the balance of sewer credits that were remaining on December 30, 2020; and

**WHEREAS**, since the sewer fee credit program has ended, the allocated sewer fee credits approved by City Council for the Bidwell Place project are no longer available through Regional San; and

**WHEREAS**, to off-set the loss of the sewer fee credits, the developer is requesting an affordable housing grant from the City to assist with the construction of the Bidwell Place project; and

**WHEREAS**, providing financial assistance to affordable housing projects is consistent with the Goal H-3: Facilitating Affordable Housing in the City's Housing Element; and

**WHEREAS**, the requested grant amount of \$150,693.75 is appropriate as it represents the monetary value of sewer fee credits that Bidwell Place would have received for the project; and

**WHEREAS**, funding for the requested affordable housing loan is available from the City's General Fund (Fund 010).

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom hereby approves an affordable housing grant in the amount of \$150,693.75 to Bidwell Place, LP for construction of the 75-unit Bidwell Place affordable multifamily project.

**BE IT FURTHER RESOLVED** that the Finance Director is directed to appropriate \$150,693.75 from the City's General Fund (Fund 010) for purpose of this Resolution.

**PASSED AND ADOPTED** this 25<sup>th</sup> day of May 2021, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):  
**ABSTAIN:** Councilmember(s):

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Michael D. Kozlowski, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK

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