



City of Culver City

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Staff Report

File #: 24-770, Version: 1

Item #: A-2.

CC:HA - ACTION ITEM: (1) Approval and Submission of Joint Application in Partnership with Community Corporation of Santa Monica under the Affordable Housing and Sustainable Communities Notice of Funding Availability in an Amount up to \$35 million for Capital and Programming Funds and up to \$14 million for City Bicycle, Pedestrian and Transit Infrastructure for the 95-unit 100% Affordable Housing Project to be Developed at 4464 Sepulveda Boulevard, Culver City, CA; and (2) Approval of and

Direction to Staff to Complete the Proposed Bicycle, Pedestrian, and Transit Projects Included in the Grant Application if the Grant is Awarded to the City.

Meeting Date: March 11, 2024

Contact Person/Dept: Jesse Mays - Assistant City Manager
Diana Chang - Chief Transportation Officer
Tevis Barnes - Housing and Human Services Director
Andrew Maximous - Mobility and Traffic Engineering Manager

Phone Number: City Manager's Office - (310) 253-6000
Transportation Department - (310) 253-6500
Housing Department - (310) 253-5780
Public Works Department - (310) 253-5634

Fiscal Impact: Yes No **General Fund:** Yes No

Attachments: Yes No

Public Notification: (Email) Meetings and Agendas-City Council and Housing Authority (03/05/2024); Community Corporation of Santa Monica (03/06/2024); Culver Palms United Methodist Church (03/06/2024);and Advisory Committee on Housing and Homelessness (03/06/2024)

Department Approval: Jesse Mays, Assistant City Manager (03/01/2024)

RECOMMENDATION

Staff recommends the Culver City Council and the Culver City Housing Authority (Authority) Board (1) discuss and, if desired, approve the request by Community Corporation of Santa Monica (Community Corp) to re-submit a joint application under the Affordable Housing and Sustainable Communities (AHSC) Notice of Funding Availability (NOFA) in an amount up to \$35 million for capital

and programming funds and up to \$14 million for City Bicycle, Pedestrian and Transit Infrastructure for the Jubilo Village affordable housing project located at 4464 Sepulveda Boulevard, Culver City (Project); and (2) approve and provide direction to staff to complete the proposed bicycle, pedestrian, and transit projects included in the grant application if the grant is awarded to the City.

BACKGROUND

The Project will be a 100% affordable housing development that will provide 95 affordable one, two and three-bedroom apartments to at-risk and low-income households at 4464 Sepulveda Boulevard. The development will be service-enriched and provide onsite supportive services through a partnership with Upward Bound House (UBH), a Culver City local emergency shelter for homeless children and their families. In addition to providing residents with access to resources, the development will also include onsite property management services. The Project will be developed in partnership with the property owner, Culver Palms United Methodist Church, and will include a mixed-use project on the church property. Once completed, the Project will be the City's second 100% affordable mixed-used project; the first being Tilden Terrace located on Washington Boulevard.

The City of Culver City has a long history of support for the Project. On June 13, 2022, the City Council and Authority Board jointly approved an increase in the loan funding commitment to Community Corp for the proposed Project from \$2 million to \$4 million. On March 13, 2023, the City Council and Authority Board approved submission of a joint application with Community Corp for grant funding from AHSC Round 7 Funding for the support of the Project and various City bicycle, pedestrian, and transit projects. The City and CCSM submitted a grant application in April 2023 to the AHSC Round 7 Funding grant application process. On August 18, 2023, the California Department of Housing and Community Development notified Culver City and CCSM that Culver City's application was not recommended for award of funding. The Strategic Growth Council voted on the awards and did not include Culver City, on August 30, 2023. In November 2023, CCSM and City staff discussed resubmitting the grant application during AHSC Round 8, which is due by March 19, 2024. Since that time, CCSM and the City have been working on drafting the application, which looks very similar to the AHSC Round 7 application, with the addition of some modifications to the bicycle, pedestrian, and transit projects included.

DISCUSSION

Notice of Funding Availability

On January 19, 2024, the Strategic Growth Council (SGC) and the California Department of Housing and Community Development (HCD) announced the availability of approximately \$675 million in funding for the AHSC Round 8 program. AHSC is administered by SGC and implemented by the HCD. The California Air Resources Board (CARB) provides the quantification methodology for determining the greenhouse gas (GHG) emissions reductions for AHSC. These AHSC funds will be used for loans or grants, or a combination, to projects that will achieve GHG emissions reductions to benefit communities throughout California, particularly through increasing accessibility to affordable housing and Key Destinations via low-carbon transportation, resulting in fewer vehicle miles traveled through shortened or reduced trip length or mode shift from single occupancy vehicle use to transit,

bicycling, or walking. The application submission deadline is March 19, 2024, and award announcement is projected for August 2024.

Affordable Housing & Sustainable Communities (AHSC) Grant Funds

Funded by auction proceeds from California's cap-and-trade emissions reduction program, AHSC program is an evolving resource to help cities, counties, transportation/transit agencies, and affordable housing developers build projects with affordable housing connected to walking, bicycling and transit. To compete for funds, affordable housing developers partner with public agencies to form a joint application. The affordable housing developer applies for funding for an affordable housing project, and the public agency applies for funding for bicycle, pedestrian, and transit infrastructure. The bicycle, pedestrian, and transit infrastructure projects must be contained within or pass through a one-mile radius of the project and meet other specific qualifications. If directed by the City Council and the Authority Board, the AHSC joint application between Community Corp and the City will be for grant funds (not loan funds). There are no match requirements under the grant.

A successful grant application would secure up to \$35 million in capital and program funds for Community Corp to use for the Project. In addition, a successful grant application would secure up to \$14 million of funding directly to the City for bicycle, pedestrian, and transit infrastructure. Staff currently anticipates applying for grant funding for \$14 million in bicycle, pedestrian, and transit infrastructure projects. The AHSC program requires that the City and Community Corp be jointly and severally liable for the grant award. This means that if Community Corp fails to meet its obligations associated with the grant award (for example, completion of the project) HCD could require the City to either meet those obligations or return the funding awarded to both the City and HCD. If the City Council directs staff to complete a joint AHSC application, and AHSC awards the funding, the City will work with HCD and Community Corp to complete an agreement with Community Corp that limits the City's risk to the extent possible. However, the extent to which the City's risk is limited is subject to negotiation with Community Corp.

Proposed Bicycle/Transit/Pedestrian Projects

Staff proposes that the City include in the grant application a request for funding for the following projects, which meet the specific requirements of the grant and will make for a competitive grant application, according to Community Corp's grant consultant. If the City and Community Corp are awarded the grant, the City would be required to complete these projects.

Bicycle Project (Approximately \$4 million)

Construction of an approximately 1.75-mile-long segment of Class IV (protected) bicycle lanes along Overland Avenue between Washington Boulevard and Sawtelle Boulevard. This segment would connect Sony Studios, Veterans Memorial Park, Julian Dixon Library and the Ballona Creek Bicycle Path to West LA College and El Rincon Elementary School. Overland Avenue is a major north/south corridor that runs through the heart of Culver City. An existing Class II bicycle lane runs between Culver Boulevard and the Ballona Creek Bicycle Path. A project is currently under design to install Class IV (protected) bicycle lanes along Overland Avenue, which is part of the City Council adopted Bicycle and Pedestrian Action Plan. This segment is within the 1-mile radius of the AHSC Culver project and meets the Caltrans criteria of a context sensitive bikeway. During the last AHSC grant

application round, the City applied for approximately \$2 million in improvements for 1 mile of Class IV bicycle lanes on Overland between La Ballona Creek and Sawtelle Boulevard.

Pedestrian Projects (Approximately \$1.5 million)

Numerous pedestrian enhancements within the 1-mile radius of the AHSC Culver project, including: sidewalk repairs, upgrading curb ramps to ADA standards, installing high visibility crosswalk markings, and upgrading pedestrian push buttons at signalized intersections to be fully accessible. During the grant application process, staff will identify the specific locations within the 1-mile radius while focusing on the area immediately surrounding the AHSC Culver project.

The grant application includes new sidewalk around the southern perimeter of Lindberg Park (Attachment 1). The purpose of proposing this new sidewalk in the grant application is that the grant application gives additional points for applications seeking funding for sidewalk greater than 1,000 feet in continuous length. This proposed sidewalk segment is the only identified area within the grant required 1-mile radius of the Project where there is the opportunity to build 1,000 continuous feet of new sidewalk. The PRCS department has indicated that the project would be desirable, but the proposal has not previously gone through a public vetting process. On March 5, staff released an online community input form via email, social media, and postings at Lindberg Park, asking for public input on the proposed sidewalk. Staff had received 40 responses within the first six (6) hours that the input form had been released (at which point the staff report was due). Some responses were in favor, and some were not in favor of the sidewalk. A summary of the first 40 comments received is attached. (Attachment 2). The community input form will remain open until 3 PM on March 11, 2024. Staff will present the findings from the community input submitted at the March 11, 2024 City Council meeting. Should the Council desire, this project can be omitted from the application, but the City will then not get the points for this feature.

Transit Projects (Approximately \$8.5 million)

Transit improvements for Culver CityBus Line 6 and Rapid 6 which serve Sepulveda Boulevard between UCLA and LAX. Line 6 and Rapid 6 provide important north-south connections to the regional rail, airport, schools, hospitals, shopping mall, commercial and job centers, and transit centers. Improvements will include increased service to improve the frequency and reduced wait times along the corridor. The grant funds may be used to fund operations and maintenance necessary for running additional service, transit infrastructure improvements, and transit related amenities including but not limited to improved bus shelters, bus loading zones, and other bus rider amenities.

FISCAL ANALYSIS

There is no financial impact to submit an application under the AHSC NOFA. Submission of an AHSC grant application will also have no impact on the City's current \$4 million commitment to the Project. If grant funds are awarded under the AHSC, \$35 million in capital and program funds will be made available to Community Corp to support the Project. In addition, a successful grant application would secure up to \$14 million in funding directly to the City for bicycle, pedestrian, and transit infrastructure.

ATTACHMENT

1. 2024-03-11 Lindberg Park Sidewalk
2. 2024-03-11 Community Input Form Summary

MOTION

That the City Council and Authority Board:

1. Approve the submission of a joint application with Community Corporation of Santa Monica under the Affordable Housing and Sustainable Communities Notice of Funding Availability in an amount up to \$35 million for capital and programming funds and up to \$14 million for City Bicycle, Pedestrian and Transit Infrastructure for the 95-unit 100% affordable housing project located at 4464 Sepulveda Boulevard, Culver City, CA (Project); and
2. Approve of and direct staff to complete the bicycle, pedestrian, and transit projects listed in the staff report, should the grant application be approved; and
3. Authorize the City Attorney/Authority General Counsel to review/prepare the necessary documents, including an agreement with Community Corp regarding joint and several liability; and,
4. Authorize the City Manager/Executive Director to execute such documents on behalf of the City/Authority.