

FASANA MOTION April 23, 2009

FEDERAL TRANSIT CAPITAL STIMULUS FUNDS FOR EL MONTE TRANSIT VILLAGE PROJECT

WHEREAS, the City of El Monte has submitted an application to the California Department of Housing and Community Development for \$22.9 million in infill infrastructure grant funding to support construction of the El Monte Transit Village, adjacent to the El Monte Transit Center; and

WHEREAS, the El Monte Transit Center is scheduled to be rebuilt and expanded as part of the Congestion Relief Demonstration Project on the I-10 Corridor, and will require the construction of additional commuter parking and pedestrian connections between parking and the adjacent Transit Center; and

WHEREAS, the grant application process is highly competitive, and the City can increase the score of its application by demonstrating support from transportation stimulus funds equal to 20 percent of the grant funds requested; and

WHEREAS, commuter parking and pedestrian connections are permitted uses of transit capital stimulus funds and such expenditures will directly support infrastructure for the El Monte Transit Village; and

WHEREAS, the City of El Monte **will** pledge future Measure R revenues to permit METRO to complete the projects previously programmed using stimulus funds,

NOW, THEREFORE BE IT RESOLVED, THAT:

- The Board approves the request from the City of El Monte to program \$4.58 million in additional stimulus dollars to support the grant application, subject to the CEO's consent to a written agreement with the City to provide offsetting funds to METRO from future Measure R revenues.
- The CEO is directed to: (1) prepare correspondence to the Department of Housing and Community Development stating Metro's intent to program \$4.58 million in stimulus funds to support the City of El Monte's application for infill infrastructure assistance; (2) execute appropriate agreements with the City of El Monte to memorialize the transfer of funds; (3) initiate the process of reprogramming \$4.58 in stimulus funds programmed at the February, 2009 Board Meeting ; (4) institute a TIP amendment; and (5) take other appropriate actions as may be required to further the purposes of this Resolution.



Metro

DATE: APRIL 17, 2009

MEMO TO: METRO BOARD OF DIRECTORS

FROM: JOHN FASANA, DIRECTOR

SUBJECT: FEDERAL TRANSIT CAPITAL STIMULUS FUNDS FOR EL MONTE
TRANSIT VILLAGE PROJECT

BACKGROUND

For the last 6 years, Metro and the City of El Monte (City) have been collaborating on the El Monte Transit Village project, a public private partnership between Metro, the City of El Monte, Caltrans, and Titan Development that seeks to create a transit oriented, mixed use development. Currently, the City and Metro are working under an approved Exclusive Negotiation Agreement (ENA) as prelude to a Joint Development Agreement (JDA) that will address all coordination issues regarding the new El Monte Transit Center, which is part of the Congestion Reduction Demonstration Project, and the City's development plans adjacent to El Monte Transit Village.

The City of El Monte is currently pursuing a \$22.9 million grant application with the California Housing and Community Development Department (HCD) under Proposition 1C for the purpose of constructing a commuter parking structure and related pedestrian access in support of the new El Monte Transit Center.

HCD added a stimulus matching component to their Notice of Funding Availability (NOFA) for the Infill Infrastructure Grant program in anticipation of the ARRA even though there was no identified mechanisms to demonstrate a nexus to the capital improvement projects which are the focus of the grant program at the time the NOFA was issued.

It is highly likely that ARRA matching funds will be a deciding factor in the HCD award process. This results from the fact that many of the first round Infill awards were made to projects across the state that were "traditional" 100 percent affordable housing projects with little nexus to transit. HCD has indicated that they have received 82 projects in response to the second round NOFA, many of which are likely to have perfect scores with the exception of ARRA matching funds. Metro support for the El Monte Transit Village project will not only provide enhanced competitiveness for the project, it will also help to secure additional funds in support of the \$45 million investment Metro is making in the El Monte Transit Center.

The use of Transit Capital ARRA funds for commuter parking structures provides the direct nexus to the Infill Grant Program and is an eligible use of ARRA Transit Capital.

The complexity of finding a mechanism to use eligible ARRA funds that could support the specific requirements of eligible Capital Improvement Projects (CIPs) under the HCD Infill Infrastructure Grant Program required substantial exploration and review. Coupled with a May 15th deadline imposed by HCD to demonstrate commitment of ARRA funds, this necessitates expedited consideration by Metro to secure timely board action for this opportunity.

It is important to note that this funding mechanism is “no risk” to Metro in that should the City’s grant application to HCD be unsuccessful, then no reprogramming is needed, the TIP amendment will be withdrawn, and there is no burden on Metro staff to program other funds. Furthermore, there will be no loss of transit capital dollars to Metro since the City of El Monte, if they are a successful grant recipient, will give Metro \$4.58 million of their share of Measure R funds.

I have placed a motion, item #48, for consideration by the Board at its April 23, 2009 meeting in support of the City of El Monte’s efforts to successfully compete for a \$22.9 million grant application with the California Housing and Community Development Department (HCD) under Proposition 1C for the purpose of constructing a commuter parking structure and related pedestrian access in support of the new El Monte Transit Center.