



## Legislation Details (With Text)

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**Title:** Actions pertaining to the U.S. Department of Commerce Economic Development Administration (EDA) Grant for the City of Fresno's South Van Ness Industrial Area Roadway and Utilities Infrastructure Project (Project)

1. Adopt a finding of Class 1 Categorical Exemption per staff determination, pursuant to CEQA Guidelines, Section 15301.
2. \*\*\*RESOLUTION - 20th amendment to the Annual Appropriation Resolution (AAR) No. 2016-118 appropriating \$3,044,200 in grant funds for the US Department of Commerce Economic Development Administration Grant for the City of Fresno's South Van Ness Industrial Area Roadway and Utilities Infrastructure Improvement Project (Requires 5 affirmative votes)
3. RESOLUTION - Authorizing the City Manager or Designee to execute a Financial Aid Award Agreement with the U.S. Department of Commerce Economic Development Administration for the City of Fresno's South Van Ness Industrial Area Roadway and Utilities Infrastructure Improvement Project.

**Sponsors:** Office of Mayor & City Manager

**Indexes:**

**Code sections:**

**Attachments:** 1. 17 20th EDA Grant SRM.pdf, 2. Resolution.pdf, 3. Maps.pdf

Date	Ver.	Action By	Action	Result
10/13/2016	1	City Council	approved	Pass

## REPORT TO THE CITY COUNCIL

**October 13, 2016**

**FROM:** BRUCE RUDD, City Manager

**BY:** LARRY WESTERLUND, Director  
Economic Development

SCOTT MOZIER, PE, Director  
Public Works Department

## SUBJECT

Actions pertaining to the U.S. Department of Commerce Economic Development Administration (EDA) Grant for the City of Fresno's South Van Ness Industrial Area Roadway and Utilities Infrastructure Project (Project)

1. Adopt a finding of Class 1 Categorical Exemption per staff determination, pursuant to CEQA Guidelines, Section 15301.

2. \*\*\*RESOLUTION - 20<sup>th</sup> amendment to the Annual Appropriation Resolution (AAR) No. 2016-118 appropriating \$3,044,200 in grant funds for the US Department of Commerce Economic Development Administration Grant for the City of Fresno's South Van Ness Industrial Area Roadway and Utilities Infrastructure Improvement Project (Requires 5 affirmative votes)
3. RESOLUTION - Authorizing the City Manager or Designee to execute a Financial Aid Award Agreement with the U.S. Department of Commerce Economic Development Administration for the City of Fresno's South Van Ness Industrial Area Roadway and Utilities Infrastructure Improvement Project.

## RECOMMENDATION

Staff recommends City Council appropriate the project funding and authorize acceptance of the grant award in the amount of \$3,044,200 from EDA for the City of Fresno's (Project). Pursuant to EDA Guidelines, a Financial Aid Award (Grant) Agreement must be executed with the EDA before such funds can be claimed.

## EXECUTIVE SUMMARY

It is recommended that Council accept an Economic Development Facilities Grant award of \$3,044,202. The total Project amount is \$4,498,800 comprised of a 70/30 percentage split. The total amount of City matching funds of \$1,454,600 was included in the City's approved FY18 budget, which will also be used to cover any non-reimbursable items such as interest expenses incurred during the reimbursement period. The grant will be used to fund infrastructure improvements in the South Van Ness Industrial Area. The deteriorating conditions in the area create major obstacles to existing businesses, as well as a hindrance in the attraction of new businesses. Improvements will include curb and gutter replacement, street widening and or pavement as needed, pavement resurfacing (grind and overlay), storm drain infrastructure, traffic access and circulation and safety enhancements.

The four streets included in the project are:

1. East Avenue (Butler to California)
2. Pearl Avenue (Hamilton to Butler)
3. California Avenue (Cherry to East)
4. Hamilton Avenue (Monterey to East)

Along with the funding, the Project is being moved to the Public Works Department to facilitate invoicing, tracking and appropriate project oversight.

## BACKGROUND

The overall project area is comprised of about three hundred fifty-five acres and referred to as the South Van Ness Industrial area, the project area is generally southwest of downtown Fresno, bounded by Church Avenue to the south, Cherry Avenue to the west, Butler Avenue to the north and Third Street to the east. Grant funding for the Project was originally applied for, and awarded to, the former Fresno Redevelopment Agency (Agency) in 2011, prior to the Agency being disbanded by the State of California. Due to the dissolution process, the Agency was unable to accept the award. The Economic Development Administration made these funds available again in FY 2016 as a Public Works and Economic Adjustment Assistance program. The City's Economic Development

Department submitted a matching grant application for substantially the same Project for which the Agency originally received funding.

The South Van Ness Industrial Area is one of the oldest industrial areas in Fresno. The area is suffering from badly degraded streets and old and missing public infrastructure. Some of the infrastructure facilities appear to be nearly one hundred years old. Much of the street infrastructure was inadequate to handle the heavy truck traffic in the area. The Project will reconstruct the four streets to current standards, in order to provide a reliable driving surface for trucks involved in goods movement, employees and customers. The streets were prioritized based upon key thoroughfares for goods movement, current pavement conditions and maximizing the cost-benefit for this job-generating area.

The entire Project amount is \$4,498,800, comprised of a 70/30 percentage split between the Federal Funds being provided by the EDA (\$3,044,200) and a \$1,454,600 in local funds provided by the City of Fresno. The funds will be used to improve the infrastructure on parts of East Avenue, Pearl Avenue, California Avenue and Hamilton Avenue essential to improving the operations of current businesses, as well as attracting new business development.

The Economic Development Team has worked with local businesses in the area to develop the Project. Working with representatives of Lyons Magnus, OK Produce and Jain Irrigation, the Project will help these companies to grow additional jobs for Fresno. As a result, the above referenced companies indicated that they would expect to add three hundred and twenty-seven new jobs and \$62 million in private investment.

The City Attorney has reviewed the necessary documents sent by the EDA and approved as to form.

## **ENVIRONMENTAL FINDINGS**

An Environmental Narrative was prepared for this project in accordance with the requirements of the National Environmental Policy Act (NEPA). This process included the distribution of requests for comment from other responsible or affected agencies and interested organizations. Preparation of the Environmental Assessment necessitated a thorough review of the proposed project and relevant environmental issues and considered previously prepared environmental and technical studies pertinent to the Roosevelt Community Plan area, including the Fresno General Plan Master Environmental Impact Report (MEIR SCH No. 2012111015).

The City of Fresno has determined that the project will not cause significant adverse cumulative impacts, growth inducing impacts and irreversible significant effects, or any other significant impacts on the environment. A public notice of the Environmental Narrative was published from June 13-15, 2016, with no comments or appeals received to date.

Staff has determined this Project is exempt from CEQA under a Class 1 Categorical Exemption pursuant to CEQA Guidelines section 15301 (Existing facilities) because the Project involves negligible or no expansion of an existing use including curb and gutter replacement, street widening/pavement as needed, pavement resurfacing (grind and overlay), storm drain infrastructure, traffic access and circulation and safety enhancements. None of the exceptions to exemptions in

15300.2 apply to this Project.

## **LOCAL PREFERENCE**

Local preference was not used based on conditions of federal grant funding.

## **FISCAL IMPACT**

The \$1,454,600 in matching funds for this grant was included in the City's approved FY18 budget.

Attachments:

Resolutions

Maps