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**Title:** CONSIDER APPROVING RESOLUTION NO. 22-075 AUTHORIZING THE CITY MANAGER AND/OR DESIGNEE TO APPLY FOR THE STATE OF CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY DEPARTMENT OF TOXIC SUBSTANCES CONTROL (DTSC) EQUITABLE COMMUNITIES REVITALIZATION GRANT (ECRG) PROGRAM AND RATIFYING DTSC AGREEMENT ALREADY ENTERED INTO BY CITY (CITY COUNCIL)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Exhibit No. 1 - Resolution No. 22-075

Date	Ver.	Action By	Action	Result
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**Report to Mayor and City Council**

Tuesday, May 03, 2022

Consent

**SUBJECT:**

**CONSIDER APPROVING RESOLUTION NO. 22-075 AUTHORIZING THE CITY MANAGER AND/OR DESIGNEE TO APPLY FOR THE STATE OF CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY DEPARTMENT OF TOXIC SUBSTANCES CONTROL (DTSC) EQUITABLE COMMUNITIES REVITALIZATION GRANT (ECRG) PROGRAM AND RATIFYING DTSC AGREEMENT ALREADY ENTERED INTO BY CITY (CITY COUNCIL)**

**I. SUMMARY**

In 2021, Governor Gavin Newsom signed legislation referred to as the Cleanup in Vulnerable Communities Initiative (CVCI), allocating \$500 million to expedite the cleanup and beneficial reuse of contaminated properties, with priority given to properties in historically vulnerable and disadvantaged communities. A majority of the CVCI funding (\$270.5 million) was allocated to State of California Environmental Protection Agency’s Department of Toxic Substances Control’s (DTSC) Equitable Community Revitalization Grant (ECRG) Program.

DTSC published ECRG Program guidelines earlier this year and provided eligible

applicants (i.e., non-profits and local governments) a narrow deadline to file their ECRG application for competitive funding. In response to the tight application timeframe, the City reached out to several owners of “project ready” environmentally challenged properties and was able to submit one ECRG application (environmental site investigation) for the Sywest Development by the filing deadline of April 4.

By approving this item, the Council would ratify, via adoption of Resolution No. 22-075 (Exhibit No. 1), the City’s submittal of the Equitable Community Revitalization Grant (ECRG) grant application to DTSC and authorize the City Manager and/or his designee to execute any documents related to the ECRG Program. While DTSC currently does not require any formal resolution to be adopted for the ECRG program, the adoption of Resolution No. 22-075 would expedite the application process by providing the City Manager and/or his designee the authority to execute current and future ECRG Program applications.

### **RECOMMENDATION**

- 1. WAIVE** further reading and **ADOPT** Resolution No. 22-075, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, AUTHORIZING THE CITY MANAGER AND/OR DESIGNEE TO APPLY FOR THE STATE OF CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY DEPARTMENT OF TOXIC SUBSTANCES CONTROL (DTSC) EQUITABLE COMMUNITIES REVITALIZATION GRANT (ECRG) PROGRAM AND RATIFYING DTSC AGREEMENT ALREADY ENTERED INTO BY CITY

### **II. ALTERNATIVES**

1. TAKE another action the City Council deems appropriate, subject to the requirements of applicable law.

### **III. BACKGROUND**

#### **DTSC ECRG Program**

DTSC’s ECRG Program provides over \$250 million in competitive grant funding to incentivize cleanup and investment in disadvantaged areas of California. The program gives California communities an opportunity to address historic environmental injustices and set a new path for land use that will have immediate and long-term benefits, such as recreational uses, commercial enterprises and housing. ECRG funding is available to help local governments, qualified 501(c)(3) nonprofit organizations and Tribes conduct the following activities:

- 1. Community-Wide Assessments (CWA)** to obtain information about environmental conditions at four or more sites within a study area. Recipients of CWA grants may use the funds for preliminary environmental planning, including All Appropriate Inquiries (AAI) or Phase I Environmental Site Assessments, Phase II Environmental Site Assessments, as well as for public engagement activities meant to elicit community input on cleanup and reuse of the sites. The funding range for CWA is \$80,000 to \$300,000.

- 2. *Site-specific Environmental Investigation*** and/or cleanup planning at a specific site that is slated for reuse. Work includes All Appropriate Inquiries (AAI) or Phase I Environmental Site Assessments, Phase II Environmental Site Assessments, Preliminary Endangerment Assessments (PEA), supplemental or other necessary site investigations, health and ecological risk assessments, work to evaluate different cleanup methods, pilot tests to assess a potential remedial technology, and preparation of a cleanup plan. The funding range for environmental investigation is \$80,000 to \$3 million.
  
- 3. *Site-specific Environmental Cleanups***. This includes planning, implementation and reporting costs for the environmental cleanup, pilot tests and sampling/ analysis to design the cleanup, public engagement and cleanup-related California Environmental Quality Act (CEQA) activities. A regulatory-approved cleanup plan is highly recommended for a Site-specific Cleanup Application. The funding range for environmental clean-up is \$80,000 to \$7 million.

### Outreach Efforts

In March, staff reached out to several owners of several “project ready” environmentally challenged properties to gauge their interest in the DTSC’s ECRG Program. The outreach resulted in discussions with three owners and DTSC representatives. Due to the tight application timeframe, two of the owners who contemplated pursuing the Site Specific Environmental Clean Up application ultimately declined to apply for this funding cycle partly due to the given the time constraint associated with preparing the required submittal documents. Both owners, however, expressed interest in partnering with the City for future ECRG funding rounds.

The third owner, Sywest Development, was interested in the ECRG program and agreed to partner with the City for the application. Given Sywest’s project development timeline, an Environmental Investigation application was deemed more competitive than an Environmental Site Clean-up application. On April 4, 2022, the City filed a grant application for the Sywest Development site for environmental investigation and requested funding amounting to \$750,000. Sywest Development is also interested in the Site Specific Environmental Clean Up application and will likely partner with the City in a future ECRG application for this scope.

Staff has also reviewed city-owned or city-affiliated properties for possible ECRG funding. In particular, the 157 Acre Carson Reclamation Authority property was evaluated for funding and unfortunately did not qualify for funding under the ECRG Program guidelines as it is being remediated under a consent decree pursuant to regulatory action against previous owners.

### City’s Priority Policy and ECRG Authorization

On April 19, 2022, the City adopted Resolution No. 22-068 formally declaring the City's policy of prioritizing: 1) the remediation and development of environmentally challenged properties within the City, 2) Economic Development Programs facilitating such remediation and development, and 3) City cooperation with the property owners of environmentally challenged sites. To further the City's policy of prioritizing remediation and development of environmentally challenged properties within the city, the City has applied for funding under the ECRG Program and intends to apply for additional funding in subsequent rounds.

To that end, Resolution No. 22-075 would provide the City Manager and/or his designee the authority to apply for current and future ECRG funding. This resolution also retroactively approves the previous ECRG application for the Sywest Development and the Standard Voluntary Agreement with DTSC whereby DTSC will provide oversight of any remediation or evaluation of any release or potential release of hazardous substances from certain sites in exchange for reimbursement by the site owners for such services, to be paid from the grant monies.

#### **IV. FISCAL IMPACT**

None at this time. Should the City receive an ECRG award, the anticipated grant allocation to the City for Sywest Development site investigation is \$750,000.

#### **V. EXHIBITS**

1. Resolution No. 22-075 (pgs. 5-36)

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