

**CONTRACT ITEM:  
REQUEST FOR APPROVAL OF  
INTERAGENCY AGREEMENT WITH THE  
CALIFORNIA DEPARTMENT OF  
HOUSING AND COMMUNITY  
DEVELOPMENT REGARDING THE  
CALReUSE PROGRAM TO IMPLEMENT  
PROVISIONS OF THE HOUSING AND  
EMERGENCY SHELTER TRUST FUND  
ACT (PROPOSITION 1C)**

**Amount: \$60 Million**

December 18, 2007

**STAFF SUMMARY – CPCFA**

Prepared by: *Sherri Kay Wahl*

**ISSUE:** Staff requests the Authority's approval of an Interagency Agreement with the Department of Housing and Community Development (HCD) in order for HCD to make available, in the form of a transfer, sixty million dollars (\$60,000,000) from Item 2240-101-6069 of Section 2.00, Budget Act of 2007, to CPCFA in fiscal year 2007-08.

**BACKGROUND:** Through this Interagency Agreement, HCD will transfer and CPCFA will deposit the sixty million dollars (\$60,000,000) into a separate sub-account of the continuously appropriated Pollution Control Financing Authority Fund (fund number 0930). It is unclear at this time whether the funds will be transferred in a one time transaction or will be transferred from HCD to CPCFA as applicants are approved for funding.

CPCFA, in consultation with HCD, will develop a program for Brownfield cleanup that promotes infill housing development and other related infill development consistent with regional and local plans. CPCFA will administer these funds as loans or grants under the California Recycle Underutilized Sites (CALReUSE) program established under Article 9 (commencing with Section 8090) of Division 11 of Title 4 of the California Code Regulations.

The Executive Director has authority under resolutions passed by the Board to approve contracts in amounts up to \$300,000.00. The proposed contract exceeds this amount, and therefore the Board's approval is required.

The terms of the Interagency Agreement are as follows:

Contract period: July 1, 2007 through June 30, 2012.  
Amount: Not to exceed \$60 million.

**RECOMMENDATION:** Staff recommends approval of the attached Resolution to authorize the Executive Director to execute an Interagency Agreement with HCD for fiscal year 2007/2008.

**RESOLUTION OF THE  
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
AUTHORIZING THE EXECUTIVE DIRECTOR TO SIGN AN  
INTERAGENCY AGREEMENT WITH THE CALIFORNIA DEPARTMENT  
OF HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT**

**WHEREAS**, the California Pollution Control Financing Authority (“Authority”) was created under the provisions of Section 44500 of the Health and Safety Code; and

**WHEREAS**, Section 44522(c) of the Health and Safety Code provides that the Authority is authorized to “do all things generally necessary or convenient to carry out its powers”; and

**WHEREAS**, Section 53545(b)(2) of the Health and Safety Codes provides funding for Brownfield cleanup that promotes infill housing development and other related infill development consistent with regional and local plans; and

**WHEREAS**, an interagency agreement is needed to transfer sixty million dollars (\$60,000,000) from the three hundred million (\$300,000,000) provided to the Department of Housing and Community Development (HCD) by Chapter 171, Statutes of 2007 (Budget Act of 2007), Section 2.00, Item 2240-101-6069, to CPCFA’s continuously appropriated Pollution Control Financing Authority Fund (fund number 0930) in fiscal year 2007-08 (the “Interagency Agreement”); and

**WHEREAS**, the California Pollution Control Financing Authority wishes to enter into an Interagency Agreement with HCD the term of which will be July 1, 2007 through June 30, 2012; and

**WHEREAS**, pursuant to the Interagency Agreement, the Authority will develop and administer a program for Brownfield cleanup that promotes infill housing development and other related infill development consistent with regional and local plans.

**NOW THEREFORE BE IT RESOLVED**, that the Executive Director of the Authority is hereby authorized to prepare, execute and implement an Interagency Agreement with HCD in the amount not to exceed \$60,000,000.00.

**FURTHER**, that the Executive Director shall execute and submit the Interagency Agreement to the Department of General Services for approval.

Date of Adoption: December 18, 2007

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Michael Papanian  
Executive Director