

RESOLUTION NO. _____ (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AUTHORIZING THE CITY MANAGER TO APPLY FOR FUNDS AND ACCEPT ANY FUNDS FROM THE U.S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) PUBLIC WORKS AND ECONOMIC ADJUSTMENT ASSISTANCE (PWEAA) PROGRAM ON BEHALF OF ELITE DEVELOPMENTS, INC.

WHEREAS, Elite Developments, Inc. is ready to continue work on Phase 2 of the Lee Road development project that will include a hotel, a restaurant and commercial space; and

WHEREAS, phase 2 of the project requires a substantial investment in off-site public street improvements that is estimated between \$2,000,000 and \$3,000,000; and

WHEREAS, completion of the off-site public street improvements would ease future development in the area; and

WHEREAS, the U.S. Economic Development Administration (EDA) Public Works and Economic Adjustment Assistance (PWEAA) Program supports development in economically distressed areas of the United States by fostering job creation and attracting private investment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

1. Finds that applying for and accepting any funds from the U.S. Economic Development Administration (EDA) Public Works and Economic Adjustment Assistance (PWEAA) Program on behalf of Elite Developments, Inc. does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

2. Directs City of Watsonville staff to work as applicant on behalf of Elite Developments, Inc. to submit a grant application to the U.S. Economic Development Administration (EDA) Public Works and Economic Adjustment Assistance (PWEAA) Program, for an amount estimated at \$2,400,000.

3. Authorizes and directs the City Manager of the City of Watsonville to apply for, accept, and execute in the name of the City of Watsonville all necessary documents including but not limited to applications, contracts and agreements and amendments from the U.S. Economic Development Administration (EDA) Public Works and Economic Adjustment Assistance (PWEAA) Program, and take any actions necessary to effectuate awarding of the grant funds.
