

ITEM: ESTABLISH DROUGHT TOLERANT LANDSCAPING GRANT GUIDELINES

RECOMMENDATION: Council to Consider Adopting a Resolution to Establish Drought Tolerant Landscaping Grant Program Guidelines for Residential Properties in the City of Lathrop

SUMMARY:

On January 23, 2023 the City Council held a Special Meeting to discuss potential projects utilizing the American Rescue Plan Act (ARPA) funds. An income-based drought tolerant landscaping grant was presented as a potential use of ARPA funds and staff was directed to allocate funds and establish the program guidelines. The funding was allocated during the midyear budget process and the Capital Improvement Project (CIP) GG 23-17 was created when the biennial CIP budget was adopted by Council on June 12, 2023.

The drought tolerant landscaping grant will provide income qualified Lathrop residents with up to \$1,000 in assistance to improve their front yard landscaping with drought tolerant landscaping materials. The design submitted will need to comply with Lathrop Municipal Code Section: 17.92.020.

Converting yards into drought-resistant landscapes is one of the most effective steps residents can take to save water and modernize their home. Motivating Council's direction is the ongoing drought state of emergency, Governor Newsom's call for voluntary reductions and the boom-bust water cycle residents face. Residents who utilize drought tolerant materials for front yard landscaping conversions to water-wise gardens can ensure that their investment will thrive in California's dry summer climate and during a drought. While the winter and spring wet season did improve drought conditions across parts of the State, the proposed drought tolerant landscaping guidelines provide a long-term sustainable solution for future unforeseen drought conditions.

BACKGROUND:

The intent of the drought tolerant landscape grant is to provide assistance to residents by incentivizing the conversion of landscaping to water-wise drought tolerant gardens. Residents gain by creating attractive, low maintenance front yard landscaping that will thrive in California's dry summer climate and during a drought. The program benefits will help residents by providing assistance to convert their landscaping to drought tolerant materials. This will also provide long term benefits by lowering their water bill by conserving water when existing landscaping is converted. Drought tolerant plant conversions not only require 75% less water than traditional turf grass lawns but they can be a beautiful habitat for native wildlife.

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Participating residents must submit a complete application and provide a W-9. Applicants will not be required to pay any fees.

Guidelines:

To qualify and receive a grant award through the Drought Tolerant Grant Program, applicants must meet the following requirements:

1. The property must receive water utility service from the City of Lathrop and the applicant must have an active water account in good standing with the City.
2. The design submitted will need to comply with Lathrop Municipal Code (LMC) Section: 17.92.020 (Community Development Department will confirm at time of application.) An encroachment permit may also be required by the Public Works Department for any work performed within the right-of-way.
3. At time of application a site plan/ sketch drawing of your proposed project must accompany application, including measurements of area to be improved, along with an itemized plant list.
4. All residents are eligible for \$0.50 per square foot improved to drought tolerant landscaping; up to a max grant award of \$500. Income qualified residents who meet eligibility requirements of household incomes less than or equal to 400% of the federal poverty level are eligible for an increased rebate of \$1.00 per square foot improved; up to a max grant award of \$1,000.
5. Projects installed as part of new construction or new development are **NOT** eligible for the grant.
6. The property owner must sign the application form for the drought tolerant landscaping project.
7. In compliance with the Internal Revenue Service (IRS), a completed Form W-9 is required.

8. All projects must have a pre-inspection completed and receive post-inspection signoff prior to payment. Do not start the landscape project until after a pre-inspection site visit.
9. The rebate check will be issued to the applicant unless prior written permission has been provided by the property owner.
10. Work must take place within 90 days after application approval. If post-inspection or request for extension is not completed within 90 days, money allocated for the customer’s project will be redirected back into available funds and another grant award. Upon written request, one 30-day extension will be given, but, must be requested prior to expiration.
11. This program would not be retroactive and would not apply to projects already underway or completed prior to application signoff.

The maximum drought tolerant landscaping grant was set at \$500 (\$0.50 per square foot) per household, while residents who meet certain income qualifications will be eligible for up to \$1,000 (\$1.00 per square foot) per household. The grant award will be calculated as a formula of square foot of landscaping converted/ improved with a maximum multiplier of 1,000 square feet. Applicants can improve an area greater than 1,000 square feet, but, for grant award purposes the formula will cap at a maximum of 1,000 square feet.

Income Qualification Guidelines:

Residents with household incomes less than or equal to 400% of the federal poverty level are eligible for an increased grant award. This income level was chosen to mirror eligibility for similar grant programs. The option to apply for an increased grant award is on the application and based on the income information that the applicant provides. For the purposes of income verification, a household includes all family members or other unrelated persons, including the applicant, who reside together and/or share common living expenses. Income verification is completed for all members of the household ages 18 years and older.

The table below lists the increased grant award household income limits. These limits are based on 400% of the 2023 Federal Poverty Level. For example, a family of 3 with a combined household income of less than \$99,440 would qualify for the income qualified grant amount.

Household size	Combined Household income must be less than*;
1	\$58,320
2	\$78,880
3	\$99,440
4	\$120,000
5	\$140,560
6	\$161,120
7	\$181,680
8	\$202,240

*These values are equal to 400% of the 2023 Federal Poverty Level Guidelines

Funding for the drought tolerant landscaping grant program will be available on a first-come, first-serve basis until all budgeted funds have been exhausted.

Plant List Guidelines:

Further guidelines include the applicant providing a list of plants that they will be using at time of design submittal. A list of drought tolerant plants can be obtained free of charge through the U.C. Davis, Arboretum All-Stars program. The Arboretum All-Stars program is a joint project of the U.C. Davis Arboretum and the California Center for Urban Horticulture (CCUH) in collaboration with other partners throughout the state. Together they are working to help home gardeners, make eco-friendly plant choices that will enhance the beauty and sustainability of their landscape. The list of drought tolerant plants on the Arboretum All-Stars list can be accessed via <https://arboretum.ucdavis.edu/arboretum-all-stars>. Residents are encouraged to take advantage of this free resource when planning their design.

RECOMMENDATION:

Staff recommends that the City Council consider the proposed program details and application form (Attachment B) which offers up to \$1.00 per square foot to convert/improve eligible landscaping areas, with a total maximum rebate of \$1,000 per income qualified residential customer. The proposed program would include an application review and design submittal to determine the square footage of the proposed drought tolerant landscaping area. Once the resident completes the project, a post-inspection occurs to verify the new condition of the yard and to finalize the square footage of the replacement. Once staff completes the post-inspection at the residence, staff would send a reimbursement check to the customer through the Finance Department for the amount determined during the initial application. The proposed program has a funding cap of \$61,582.

FISCAL IMPACT:

Staff time to review and verify eligibility of applicants, dispense financial grant awards, and to monitor and manage the drought tolerant landscaping grant program will be absorbed in the Council approved operating budget of each Department involved. The funding was allocated during the midyear budget process and the Capital Improvement Project (CIP) GG 23-17 was created when the biennial CIP budget was adopted by Council on June 12, 2023. The proposed program has a funding cap of \$61,582 which has been funded through the use of ARPA funds.

ATTACHMENTS:

- A. Resolution to Establish Drought Tolerant Landscaping Grant Program Guidelines
- B. Application for Drought Tolerant Landscaping Grant Program Including; Income Guidelines, Eligibility, and Requirements

CITY MANAGER'S REPORT **Page | 5**
AUGUST 14, 2023 CITY COUNCIL REGULAR MEETING
ESTABLISH DROUGHT TOLERANT LANDSCAPING GRANT GUIDELINES

APPROVALS:



Thomas Hedegard
Deputy City Manager

7/27/2023

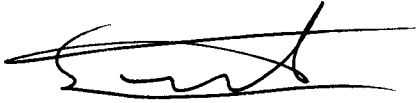
Date



Rick Cagulat
Director of Community Development

7/27/23

Date



Salvador Navarrete
City Attorney

7.27.2023

Date



Stephen J. Salvatore
City Manager

8.3.23

Date

RESOLUTION NO. 23 - _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP
ESTABLISHING DROUGHT TOLERANT LANDSCAPING GRANT PROGRAM
GUIDELINES FOR RESIDENTIAL PROPERTIES IN THE CITY OF LATHROP**

WHEREAS, on January 23, 2023 the City Council held a Special Meeting to discuss potential projects utilizing the American Rescue Plan Act (ARPA) funds. An income-based drought tolerant landscaping grant was presented as a potential use of ARPA funds and staff was directed to allocate funds and establish the program guidelines; and

WHEREAS, the funding was allocated during the midyear budget process and the Capital Improvement Project (CIP) GG 23-17 was created when the biennial CIP budget was adopted by Council on June 12, 2023; and

WHEREAS, converting residential yards into drought-resistant landscapes is one of the most effective steps residents can take to save water and modernize their home; and

WHEREAS, to qualify and receive a grant award through the Drought Tolerant Grant Program, applicants must meet the following requirements:

1. The property must receive water utility service from the City of Lathrop and the applicant must have an active water account in good standing with the City.
2. The design submitted will need to comply with Lathrop Municipal Code (LMC) Section: 17.92.020 (Community Development Department will confirm at time of application.) An encroachment permit may also be required by the Public Works Department for any work performed within the right-of-way.
3. At time of application a site plan/ sketch drawing of your proposed project must accompany application, including measurements of area to be improved, along with an itemized plant list.
4. All residents are eligible for \$0.50 per square foot improved to drought tolerant landscaping; up to a max grant award of \$500. Income qualified residents who meet eligibility requirements of household incomes less than or equal to 400% of the federal poverty level are eligible for an increased rebate of \$1.00 per square foot improved; up to a max grant award of \$1,000.
5. Projects installed as part of new construction or new development are **NOT** eligible for the grant.
6. The property owner must sign the application form for the drought tolerant landscaping project.
7. In compliance with the Internal Revenue Service (IRS), a completed Form W-9 is required.
8. All projects must have a pre-inspection completed and receive post-inspection signoff prior to payment. Do not start the landscape project until after a pre-inspection site visit.

9. The rebate check will be issued to the applicant unless prior written permission has been provided by the property owner.
10. Work must take place within 90 days after application approval. If post-inspection or request for extension is not completed within 90 days, money allocated for the customer's project will be redirected back into available funds and another grant award. Upon written request, one 30-day extension will be given, but, must be requested prior to expiration.
11. This program would not be retroactive and would not apply to projects already underway or completed prior to application signoff; and

WHEREAS, the grant award will be calculated as a formula of square foot of landscaping converted/ improved with a maximum multiplier of 1,000 square feet. Applicants can improve an area greater than 1,000 square feet, but, for grant award purposes the formula will cap at a maximum of 1,000 square feet; and

WHEREAS, the proposed program has a funding cap of \$61,582 and funding for the drought tolerant landscaping grant program will be available on a first-come, first-serve basis until all budgeted funds have been exhausted; and

WHEREAS, a list of drought tolerant plants can be obtained free of charge through the U.C. Davis, Arboretum All-Stars program. Residents are encouraged to take advantage of this free resource when planning their design.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby establish the Drought Tolerant Landscaping Grant Program guidelines as listed above; for residential properties in the City of Lathrop.

The foregoing resolution was passed and adopted this 14th day of August 2023, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

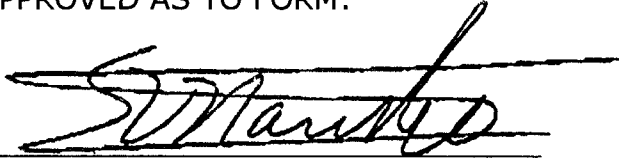
ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

Teresa Vargas, City Clerk



Salvador Navarrete, City Attorney

ATTACHMENT " B "



Drought Tolerant Landscaping Grant Application

(Funding is limited and on a first-come, first served basis)

This program requires a pre-installation site visit and a post-installation inspection by a City of Lathrop employee. Please read the program guidelines on the back of this application and complete this page.

Application:

Name: _____ Date: _____

Address: _____ Utility Account #: _____

E-Mail: _____ Phone #: _____

Hired Landscaper Information (If Applicable):

Completed Form W-9:	Yes / No (Circle One)	Design Submitted with Site Plan/
Income Qualified:	Yes / No (Circle One)	Sketch Drawing and Plant List:
Prior Year Taxes:(for verification)	Yes / No (Circle One)	Yes / No (Circle One)

Total Area of Project Site: (square feet)	Total Grant Award Requested*
_____ ft ² X (\$.50 or \$1.00) =	\$ _____
Max 1,000	

*Maximum rebate \$500 for residential customers and \$1,000 for income qualified residential customers

By submitting this application, you agree to the following:

I, the undersigned, understand that this is a limited, first-come/first-served, one-time program, that grant awards are given only for projects for which applications are approved in advance of installation, and that City of Lathrop is entitled to deny any application that does not meet program requirements. I have voluntarily determined to participate in the City of Lathrop's Drought Tolerant Landscaping Grant Program. I have independently selected materials, supplies and labor for the purpose of performing the installation. I agree that all work performed will comply with applicable municipal codes, ordinances and regulations. I agree that the City of Lathrop may visit the premises and verify existing conditions and that the work has been performed. By virtue of these inspections, I understand that the City of Lathrop makes no determination with respect to whether materials and equipment are free of defects, the quality of the workmanship, or the suitability of the premises or the materials or equipment for the installation. I also understand that the installation of irrigation equipment and landscape materials may not result in lower water bills. If this Application is approved by the City of Lathrop and the work proceeds, I agree to defend, indemnify and hold harmless the City of Lathrop, its directors, officers, agents and employees against any and all loss, liability, expense, claims, suits and damages, including attorneys' fees, arising out of or resulting from the installation of irrigation equipment and landscape materials. I agree to a pre- and/or post-installation inspection, upon request.

Signature of Applicant: _____

Official Use Only:

Approved: _____ Denied: _____ Date: _____ Number of ft²: _____ Grant Amount: _____
(Staff Initial)

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For households with more than 8 persons, add \$20,560 for each additional person. *These values are equal to 400% of the 2023 Federal Poverty Level Guidelines

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