


Agenda Report Reviewed by:
City Manager: 

**CITY OF SEBASTOPOL
CITY COUNCIL
AGENDA ITEM**

Meeting Date: May 19, 2020
To: Honorable Mayor and Honorable City Councilmembers
From: Kari Svanstrom, Planning Director
Subject: Approval of Resolution Authorizing the City to Apply for a State Local Early Action (LEAP) Planning Grant
Recommendation : City Council Approval of Resolution
Funding: Currently Budgeted: _____ Yes No _____ N/A
Net General Fund Cost: \$0; Grant would provide funds for Advanced Planning updates
Amount: \$N/A

Account Code/Costs authorized in City Approved Budget (if applicable) AK (verified by Administrative Services Department)

INTRODUCTION:

This item is to request that the City Council Approve the Attached Resolution for Application for a State Local Early Action (LEAP) Planning Grant.

BACKGROUND:

The State 2019-20 budget included additional funding for local governments to support planning efforts related to the production of housing (similar to SB2) as well as updates to Housing Elements (Sebastopol’s Housing Element update will be due in 2023). The City of Sebastopol is eligible for \$65,000 based on the city’s population. The grant is an ‘over the counter’ (non-competitive) grant. Grant applications are due July 1, 2020, with expenditures required by December 2023.

The grant is a reimbursement grant, there is no local match required, however there are certain reporting requirements, and the projects or reports funded by the grant must be adopted by the City by the end of the grant period (12/31/23).

DISCUSSION:

The Local Early Action Planning Grants Program (LEAP Grant) is part of the broader program formerly known as the Local Government Planning Support Grants Program, which was established as part of the 2019-20 Budget Act. The 2019-20 State Budget Act provides a spectrum of support, incentives, resources and accountability to meet California’s housing goals.

Some specific elements include:

- Planning Support (local and regional planning grants)
- Incentives (Pro-housing preference and infill incentive grants)
- Funding Resources
- Accountability (penalties for noncompliant housing plans)
- Reform (collaborative processes to reform regional housing needs)

The Local Government Planning Support Grants Program provides one-time grant funding to regions and jurisdictions for technical assistance, preparation and adoption of planning documents, and process improvements. The over-arching goals of the Program are to (1) accelerate housing production; and (2) facilitate compliance to implement the sixth cycle of the regional housing need assessment (RHNA).

To be eligible for funding, the monies must be used for planning projects that:

- Accelerate housing production
- Streamline the approval of housing development affordable to owner and renter households at all income levels
- Facilitate housing affordability, particularly for lower- and moderate-income households
- Promote development consistent with the State Planning Priorities
- Reducing or removing barriers to housing development

Many of the eligible activities were completed in the recent comprehensive Zoning Ordinance update that was adopted in fall of 2018 (including updates to the Inclusionary Zoning Ordinance, updates to the ADU ordinance, and other modifications to facility mixed use development and multi-family housing). The City is using the SB2 grant money for expedited permit processing/e-permitting system; development of vacation rental regulations for full-time non-hosted rentals; and, development of objective design guidelines.

Two other projects the City still needs, which can be funded through the LEAP grant, including vehicle mile traveled (VMT) thresholds, which the City is required to adopt to replace Level of service (LOS) for environmental review documents (CEQA) and, site analysis updates for the housing inventory that will be required for the next Housing Element update. While the LEAP grant likely will not be enough for both of these projects, staff recommends applying for approval of both, so that no reapplication will be needed, and then working with the State once the scope and potential costs for these projects is more clearly identified.

The City of Sebastopol is eligible for \$65,000 in funding from this program (for cities of 20,000 population or less). The grant is a reimbursement grant, which can be invoiced based on project milestones. Staff will propose appropriate milestones for the proposed projects in the application to allow for periodic reimbursement. Additionally, the projects that are proposed must be completed and, where required, adopted by the City by December 2023. While the application deadline for the funding is this summer, given the time frame for expenditures, and the other department projects funded through SB2, staff anticipates the grant money would be utilized in late Fiscal Year 20-21 or in FY 21-22.

PUBLIC COMMENT:

No public comments have been received as of the writing of this staff report.

Public Notice:

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to scheduled meeting date.

Fiscal Impact

There is no direct fiscal impact associated with the recommended action tonight.

RECOMMENDATION:

Staff recommends that the City Council Adopt the attached Resolution authorizing staff to submit the required application to the California Department of Housing and Community Development (HCD) and authorize the City Manager to enter into the required agreements.

Additional information regarding this grant is available at the following link:

<https://hcd.ca.gov/grants-funding/active-funding/leap.shtml>

RESOLUTION NUMBER: _____ -2020

CITY OF SEBASTOPOL

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL, SONOMA COUNTY, AUTHORIZING APPLICATION FOR, AND RECEIPT OF, LOCAL GOVERNMENT PLANNING SUPPORT GRANT PROGRAM FUNDS FOR A LOCAL EARLY ACTION PLANNING (LEAP) GRANT

WHEREAS, pursuant to Health and Safety Code 50515 et. Seq, the Department of Housing and Community Development (HCD) is authorized to issue a Notice of Funding Availability (NOFA) as part of the Local Government Planning Support Grants Program (hereinafter referred to by HCD as the Local Early Action Planning Grants program or LEAP); and

WHEREAS, the City Council of the City of Sebastopol desires to submit a LEAP grant application package (“Application”), on the forms provided by HCD, for approval of grant funding for projects that assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment; and

WHEREAS, HCD has issued a NOFA and Application on January 27, 2020 in the amount of \$119,040,000 for assistance to all California Jurisdictions.

NOW, THEREFORE BE IT RESOLVED, THAT THE City Council of the City of Sebastopol, hereby resolves the following:

SECTION 1. The City Manager is hereby authorized and directed to apply for and submit to HCD the Application package.

SECTION 2. In connection with the LEAP grant, if the Application is approved by HCD, the City Manager of the City of Sebastopol is authorized to submit the Application, enter into, execute, and deliver on behalf of the Applicant, a State of California Agreement (Standard Agreement) for the amount of \$65,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the LEAP grant, the Applicant’s obligations related thereto, and all amendments thereto; and

SECTION 3. The Applicant shall be subject to the terms and conditions as specified in the NOFA, and the Standard Agreement provided by HCD after approval. The Application and any and all accompanying documents are incorporated in full as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the Application will be enforceable through the fully executed Standard Agreement. Pursuant to the NOFA and in conjunction with the terms of the Standard Agreement, the Applicant hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.

The above and foregoing Resolution was duly passed, approved and adopted at a meeting by the City Council on the 19th day of May 2020, by the following vote:

VOTE:

Ayes:

Noes:

Abstain:

Absent:

APPROVED: _____
Mayor Patrick Slayter

ATTEST: _____
Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: _____
Larry McLaughlin, City Attorney