



Agenda Report

October 28, 2019

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO APPLY FOR AND EXECUTE A GRANT AGREEMENT WITH THE STATE OF CALIFORNIA, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR GRANT FUNDING THROUGH THE SB 2 PLANNING GRANTS PROGRAM

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the recommended action is exempt from review pursuant to the California Environmental Quality Act (CEQA), pursuant to the State CEQA guidelines Section 15061(b)(3); and
2. Adopt a resolution authorizing the City Manager or his designee to apply for and submit an application to the State of California, Department of Housing and Community Development (HCD) for \$310,000 in grant funding through the SB 2 Planning Grants Program, and if the application is approved execute a grant agreement with HCD to receive up to \$310,000 in grant funding through the SB 2 Planning Grants Program.

BACKGROUND:

Senate Bill 2 (SB 2), passed in 2017, established a permanent source of revenue intended to increase the affordable housing stock in California. The legislation directs the Department of Housing and Community Development (HCD) to use 50 percent of the first year's revenue to establish a program that provides financial and technical assistance to local governments to implement plans and projects that streamline housing approvals and accelerate housing production.

In March 2019, HCD released the Notice of Funding Availability for approximately \$123 million. Eligible activities under the grant program may include:

- Updates to general plans, community plans, specific plans, local planning related to implementation of sustainable communities strategies, or local coastal plans;
- Updates to zoning ordinances;
- Environmental analyses that eliminate the need for project-specific review; and
- Local process improvements that expedite local planning and permitting.

Medium localities, such as the City of Pasadena, with a population between 60,000 – 200,000 are eligible to apply for a maximum award amount of \$310,000. Applications are being accepted by HCD on a rolling basis until November 30, 2019.

The City will be applying for the maximum grant award amount of \$310,000. The grant funds will be used for upgrades to the Permit Center. These upgrades will include enhanced customer service counters, expanded and improved customer terminals, and new hardware and other technology necessary to support the primary functions of the Permit Center. Improvements to the functionality of the Permit Center will aid in implementing process changes and services offered to the public that will expedite planning and permitting.

The project utilizing this grant funding must be completed by June 30, 2022. This resolution must be included with the grant program application.

COUNCIL POLICY CONSIDERATION:

The SB 2 Grants Program and the project to be funded by the grant funds support Housing Element policies that are related to local process improvements that expedite local planning and permitting (Housing Element Policy HE-2.7).

ENVIRONMENTAL ANALYSIS:

Adoption of a resolution authorizing the application and subsequent execution of a grant agreement with HCD to receive grant funding for the SB 2 Grants Program is covered by the general rule that the California Environmental Quality Act (CEQA) applies only to projects that have the potential for causing a significant effect on the environment in accordance with Section 15061(b)(3) of the Guidelines. Adoption of the resolution does not result in any adverse environmental impacts.

FISCAL IMPACT:

By entering into an agreement with HCD for the Grant Program, the City may receive \$310,000 in grant funding to cover a portion of the costs associated with improvements to the Permit Center that would otherwise have been funded by the Building fund. Receipt of the HCD SB 2 grant will result in significant cost savings for the City.

Respectfully submitted,



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