



Staff Reports

File #: 139-2020, **Version:** 1

To: Honorable Mayor and Members of City Council
From: Vincent Smith, Community Development Director
Prepared By: Michael Walker, Senior Planner

TITLE:
LEAP Grants Program Funding

RECOMMENDED ACTION:

Adopt a resolution authorizing: (1) the submittal of an application to the California State Department of Housing and Community Development for up to \$300,000 in funding under the Local Early Action Planning (LEAP) Grants Program, to be made available for the preparation and adoption of planning documents, process improvements that accelerate housing production, and facilitate compliance in implementing the sixth cycle of the regional housing needs assessment (RHNA), and; (2) if the application is approved, the execution of all documents and agreements necessary to participate in the Planning Grants Program.

DISCUSSION: **BACKGROUND**

The California State Department of Housing and Community Development (HCD) issued a Notice of Funding Availability (NOFA) for the LEAP Grants Program on January 27, 2020. Funding of approximately \$119 million is being made available to all local governments in California for the preparation and adoption of planning documents, process improvements that accelerate housing production, and facilitate compliance in implementing the sixth cycle of the regional housing needs assessment (RHNA). LEAP is made available as a portion of the Local Government Planning Support Grants Program pursuant to Chapter 3.1 of Health and Safety Code (Sections 50515 to 50515.05) (Chapter 159, Statutes of 2019).

Funds will be initially available to eligible applicants on a noncompetitive, over-the-counter basis. Applications will be accepted through July 1, 2020. HCD determined maximum award amounts for localities based on population estimates from the Department of Finance. The City of Napa, with a population between 60,000 and 99,999 qualifies for an award amount of \$300,000.

PROPOSED ACTIVITIES

Sixth Cycle Housing Element

The State of California requires local agencies to include Housing Elements in their General Plans meeting certain statutory requirements relating to updating the Housing Element on a set schedule

and submitting the document to the State Department of Housing and Community Development (HCD) for review. One of the statutory requirements that Housing Elements must meet is to identify and zone development sites for housing sufficient to accommodate the jurisdiction's Regional Housing Needs Allocation (RHNA).

ABAG is initiating discussions at the regional level regarding the next RHNA process, which will allocate a share of the region's housing needs to each local jurisdiction, including the City of Napa, for the period 2022-2030. Once the RHNA allocations are finalized in 2021, State law requires each jurisdiction to update the Housing Element of their General Plan by 2022 to provide goals, policies, programs, and sites sufficient for the production of housing consistent with their RHNA.

On January 21, 2020, City Council adopted a resolution supporting formation of a Countywide subregion and for the City of Napa to participate in the Subregion to administer the RHNA process.

Preparing and adopting Housing Elements that include an implementation component to facilitate compliance with the sixth cycle RHNA are eligible activities under the LEAP Grant.

Prohousing Jurisdiction

HCD is encouraging applicants to consider LEAP funds to facilitate designation as a Prohousing jurisdiction. Pursuant to the 2019-20 Budget Act, HCD is required to develop Prohousing regulations by July 1, 2021. This program will allow HCD to designate jurisdictions as "Prohousing" when they demonstrate policies and strategies to accelerate housing production. In turn, Prohousing jurisdictions will be awarded additional points or preference in programs such as the Affordable Housing and Sustainable Communities (AHSC), Transformative Climate Communities (TCC), Infill Infrastructure Grant (IIG) programs and other state funding programs.

Pursuant to Government Code Section 65589.9(f)(2), "Prohousing" policies mean policies that facilitate the planning, approval, or construction of housing. Policies may include, but are not limited to: Adoption of zoning allowing for use by-right for residential and mixed use development; Process improvements that reduce permit processing time; Creating objective development standards; and Studies and implementing actions that reduce development impact fees for residential developments, including ADUs

FINANCIAL IMPACTS:

There is no General Fund impact. The program would be fully funded by the LEAP Grant. The total of the requested grant would be no more than \$300,000.

CEQA:

The Community Development Director has determined that the Recommended Action described in this Agenda Report is not subject to CEQA, pursuant to CEQA Guidelines Section 15060(c).

DOCUMENTS ATTACHED:

ATCH 1 - Resolution authorizing LEAP Grant Program Application

NOTIFICATION:

Notice of this item was placed on an agenda at least 72 hours in advance of the meeting.

