



Folsom City Council Staff Report

MEETING DATE:	4/28/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10424 – A Resolution Authorizing Application for Local Early Action Planning Grants Program Funds for Various Zoning Projects, Consultant Expertise and Technological Enhancements to Simplify or Streamline Housing and Authorizing the City Manager to Execute an Agreement to Accept Grant Funds
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Move to Approve Resolution No 10424 - A Resolution Authorizing Application for Local Early Action Planning Grants Program Funds for Various Zoning Projects, Consultant Expertise and Technological Enhancements to Simplify or Streamline Housing and Authorizing the City Manager to Execute an Agreement to Accept Grant Funds

BACKGROUND / ISSUE

In 2017, Governor Brown signed a 15-bill housing package aimed at addressing the state's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2, 2017), which establishes a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. In this first year, those collected revenues are used equally to create State-administered Planning Grants Programs and to fund State-administered homelessness programs. Folsom received \$310,000 in SB 2 Planning Grants Program Funds for physical construction of a state-of-the-art permit counter. That contract has been executed and the project is in the preliminary design stage.

The current 2019-20 Budget Act established the Local Early Action Planning Grants Program (LEAP) for one-time grant funding to regions and jurisdictions for technical assistance, preparation and adoption of planning documents, and process improvements to

accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing needs assessment.

Similar to the Planning Grants Program Funds, LEAP funds are available to eligible applicants on a noncompetitive, over-the-counter basis. The Notice of Funding Availability (NOFA) was released on January 27, 2020. Based on Folsom's population, the City is eligible for up to \$300,000 in grant award for qualifying projects. Applications can be submitted anytime on or before July 1, 2020 and determinations will be made on a rolling basis, within approximately 60 days of application submittal.

As outlined in the NOFA, eligible activities must demonstrate an increase in housing related planning activities and facilitate accelerated housing production. Eligible activities may be part of a larger planning effort (e.g., a comprehensive zoning code update) if proposed activities have not been completed prior to the NOFA date, are distinct, and demonstrate a nexus to accelerating housing production. Eligible activities are not necessarily jurisdiction-wide and may include a smaller geography with a significant impact on housing production. Eligible activities may include a variety of planning documents and processes such as rezoning, environmental clearance, improving regulations and processes to simplify/streamline housing, and updating local housing elements.

Given current conditions and planning efforts, staff has identified several distinct projects and tasks with consultant expertise and technological enhancements to best serve our community and advance the program housing goals as follows:

1. Update the City's Accessory Dwelling Unit Ordinance
2. Create Objective Residential Design Standards
3. Increase Zoning Code Update Outreach
4. Expand Zoning Code Update Tasks for Folsom's Historic District
5. Conduct Citywide Rezoning for the Zoning Code Update
6. Maximize Software Technology for City's New Electronic Permitting and Plan Check System
7. Expand Geographic Information Systems (GIS) for ePermitting, Housing Element, and Customer Resources
8. Prepare Nexus Study for Development Processing Fees
9. Purchase Equipment for Electronic Field Inspections

Total estimated costs for these items is \$300,000, which is the maximum grant award amount for Folsom. Given our current efforts with the comprehensive zoning code update and system conversion to electronic permit and plan check, these tasks enhance/improve those efforts in the near term in meaningful ways relative to housing activities and production.

POLICY / RULE

The State Local Early Action Planning Grants Program application requires the applicant's governing body to certify by resolution the approval of the application before submission.

ANALYSIS

The City proposes various zoning projects, consultant expertise, and technological enhancements to simplify or streamline housing in the City of Folsom. Proposed project components for grant funding include:

1. Update the City's Accessory Dwelling Unit Ordinance. Utilize professional planning consultant expertise to supplement staff efforts in updating Folsom's Accessory Dwelling Unit Ordinance consistent with new State laws and other local standards as allowed. The estimated consultant services cost is \$12,000.
2. Create Objective Residential Design Standards. Utilize professional planning and urban design consultant expertise to develop objective residential design standards in conjunction with the Zoning Code Update. The goal is to communicate clear expectations and streamline project review. The estimated consultant service cost is \$15,000.
3. Increase Zoning Code Update Outreach. Utilize professional consultant services to conduct enhanced community outreach associated with the Zoning Code Update. Increased outreach would be in the form of additional public meetings, surveys, and/or fact sheets relative to new state laws, key issues, and proposed solutions related to housing development. The estimated consultant service cost is \$20,000.
4. Expand Zoning Code Update Tasks for Folsom's Historic District. As part of the Zoning Code Update, utilize supplemental planning and urban design professional consultant services to work with the Historic District stakeholders on key housing related issues (e.g., parking, housing densities, transit development) to identify and vet viable zoning solutions. The estimated consultant service cost is \$23,000.
5. Conduct Citywide Rezoning for the Zoning Code Update. Utilize professional planning, mapping and environmental consultant services to prepare Citywide rezoning including, land use analysis, GIS mapping, environmental analysis consistent California Environmental Quality Act (CEQA). This includes the rezoning of the East Bidwell Corridor consistent with the General Plan. The estimated consultant service cost is \$50,000.
6. Maximize Software Technology for City's New Electronic Permitting and Plan Check System. Utilize professional software specialist consultant services to maximize system set up and options for electronic permitting, plan check and payment. This may include software purchase for conversion from our current data-based system to an alternative system that communicates directly the City's other integrated data systems (e.g., utilities and billings). The estimated consultant service and software cost is \$60,000.
7. Expand Geographic Information Systems (GIS) for ePermitting, Housing Element, and Customer Resources. Utilize professional GIS consulting expertise to supplement City's GIS services for mapping spatial rules associated with electronic permitting, Housing Element Update, and the creation of a new development activity map. The estimated consultant service cost is \$45,000.

8. Prepare Nexus Study for Development Processing Fees. Utilize professional fiscal analysis consultant expertise to prepare a nexus study to analyze existing planning and development engineering processing fees, which have remained largely unchanged for almost 20 years. The goal is to address fee gaps, remove antiquated fees, and to better align our processing fees with industry best practices, regional comparisons, and to improve cost recovery for City services. The estimated consultant service cost is \$55,000.
9. Purchase Equipment for Electronic Field Inspections. Purchase tablets, accessories, and remote internet access options for field inspectors to implement new ePermit and processing for up to six field inspectors (building, construction, and arborist). The estimated cost of equipment and remote internet service is \$20,000.

Implementation of these zoning projects, consultant services, and technology purchases will work in tandem with other City efforts to simplify standards and streamline processes for housing throughout the City. Folsom customers will benefit from improved standards that better reflect current community desires in keeping with State housing laws and a more efficient, convenient, and cost-effective process from planning application through final building inspection and occupancy or operation.

FINANCIAL IMPACT

The total Local Early Action Planning Grants Program funding request is \$300,000. This grant application does not require a financial match. However, the City Council previously allocated funding for the Comprehensive Zoning Code Update and for software, configuration, equipment and maintenance associated electronic permitting system and plan check systems, which will set the stage and partner well with the proposed projects. Consultant services and technology purchases would be funded initially through General Fund and reimbursed by the Local Early Action Planning Grants Program funds in accordance with the reimbursement schedule.

ENVIRONMENTAL REVIEW

The grant application does not qualify as a project, therefore no California Environmental Quality Act (CEQA) analysis has been prepared. Further, implementation of the project does not meet the CEQA definition of a project and as a result, no further environmental analysis would be required.

ATTACHMENTS

1. Resolution No. 10424 – A Resolution Authorizing Application for Local Early Action Planning Grants Program Funds for Various Zoning Projects, Consultant Expertise and Technological Enhancements to Simplify or Streamline Housing and Authorizing the City Manager to Execute an Agreement to Accept Grant Funds

Submitted,

A handwritten signature in blue ink, appearing to read "Pam Johns", with a long horizontal flourish extending to the right.

Pam Johns, Community Development Director

Attachment 1

Resolution No. 10424 – A Resolution Authorizing Application for Local Early Action Planning Grants Program Funds for Various Zoning Projects, Consultant Expertise and Technological Enhancements to Simplify or Streamline Housing and Authorizing the City Manager to Execute an Agreement to Accept Grant Funds

RESOLUTION NO. 10424

A RESOLUTION AUTHORIZING APPLICATION FOR LOCAL EARLY ACTION PLANNING GRANTS PROGRAM FUNDS FOR VARIOUS ZONING PROJECTS, CONSULTANT EXPERTISE AND TECHNOLOGICAL ENHANCEMENTS TO SIMPLIFY OR STREAMLINE HOUSING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT TO ACCEPT GRANT FUNDS

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

WHEREAS, the City of Folsom desires to submit a LEAP grant application package (“Application”), on the forms provided by the Department, 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, the Department has issued a NOFA and Application on January 27, 2020 in the amount of \$119,040,000 for assistance to all California Jurisdictions; and

WHEREAS, the City has invested and allocated over a million dollars to implement the new Folsom 2035 General Plan with a comprehensive update to the Zoning Code and purchase of software, equipment and training for electronic permit processing and plan check services that, when implemented in 2020, will simplify development regulations and expedite plan reviews and permits throughout the City; and

WHEREAS, the City has identified additional unfunded opportunities to further improve our standards and streamline our processes for housing with additional zoning projects, consultant expertise and technological enhancements in keeping with LEAP Grants Program goals;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom:

1. Authorizes and directs the City Manager to apply for and submit to the Department the Application package.
2. Authorizes the City Manager to receive the approved LEAP Grants Program and enter into, execute, and deliver on behalf of the City of Folsom, a State of California Agreement (Standard Agreement) for the amount of \$300,000, 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.

3. Recognizes that the City shall be subject to the terms and conditions as specified in the NOFA, and the Standard Agreement provided by the Department 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 City hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.

4. Authorizes the City Manager to execute the City of Folsom LEAP Grants Program application, and any amendments thereto, on behalf of the City as required by the Department.

PASSED AND ADOPTED this 28th day of April, 2020, by the following roll-call vote:

AYES: Council Member(s):
NOES: Council Member(s):
ABSENT: Council Member(s):
ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK