

MEMORANDUM

DATE: November 5, 2019

TO: Christine Daniel, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: Resolution Of The City Council Of The City Of Emeryville

Authorizing Application For, And Receipt Of, SB 2 Planning Grants Program Funds To Develop Objective Design And Development Standards And Authorizing The City Manager To Execute A Funding Agreement With The California Department Of Housing And Community Development And To Appropriate The Funds To

The Grant Fund (Fund 254)

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to apply for a \$160,000 SB 2 planning grant from the State Department of Housing and Community Development (HCD); and if it is awarded, to enter into a funding agreement with HCD and use the funds as proposed in the application. The application is to use the funds for developing Objective Standards for use in housing development projects that require byright approval without design review. The proposed Resolution also appropriates the funds, if received, to the Grant Fund (Fund 254).

BACKGROUND

In 2017, the State legislature passed, and the Governor signed, a set of statutes intended to speed up affordable housing production, including SB 35 and SB 2.

SB 35 allows a developer to request ministerial (non-discretionary) approval of a housing project that meets prevailing wage (skilled labor for projects of 75 units or more), has 50% lower income units for 55 years if rented and 45 years if owner-occupied, is in a multifamily housing zone, is not on a hazardous materials site designated by the Department of Toxic Substances Control, does not involve demolition of existing housing, is on a site that has had no residential tenants in the last ten years, complies with the maximum density, and is consistent with objective zoning and design standards (no personal or subjective judgment, and uniformly verifiable by reference to uniform criteria available to the applicant) with no environmental review. There have also been other proposals for State legislation to allow housing development "by right" if it meets "objective" zoning and design standards. To date, no such projects have been proposed in Emeryville.

SB 2, the Building Homes and Jobs Act, established a \$75 transaction recording fee, and allocated half of the resulting revenue to local governments to update planning documents to streamline housing production.

DISCUSSION

This year HCD issued a Notice of Funding Availability for the SB 2 Planning Grants Program (PGP). HCD set grant amounts by size of jurisdiction; for small cities such as Emeryville, it is \$160,000. Preparation of objective design and development standards for residential development is an eligible grant purpose. Applications are due by the end of November.

Emeryville's application is for funding to prepare objective design and development standards to be used for required ministerial approval of residential housing projects, to ensure that the design of each such project meets the City's minimum design standards. The goal is to express, to the greatest extent possible, the residential development standards in Emeryville's Planning Regulations and Design Guidelines as a ministerial checklist of measurable, yes-or-no standards. The scope of work also includes preparation of an ordinance adopting the objective development standards as part of the Planning Regulations and the Emeryville Design Guidelines. In the Planning Regulations, projects that have a State-mandated requirement for ministerial review will be added to the list of projects that only require Zoning Compliance review.

FISCAL IMPACT

This grant will fund preparation of objective design and development standards. Without this grant funding, the City would have to pay for the development of such standards from City funds, or be open to the risk of having to approve ministerial residential development projects with no checklist of design standards if such development applications are received. The attached Resolution authorizes the City Manager, if the application is approved by HCD, to appropriate the PGP Grant funds to the Grant Fund (Fund 254).

STAFF COMMUNICATION WITH THE PUBLIC

There has been no communication with the public about this grant application.

CONCLUSION

Staff requests that the City Council adopt the attached resolution authorizing the City Manager to apply to the State Department of Housing and Community Development for \$160,000 from the SB 2 Planning Grants Program for the preparation of objective design and development standards; and, if it is awarded, to execute a funding agreement with HCD and use the funds as stated in the application.

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PREPARED BY: Diana Keena, Associate Planner

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:

Christine Daniel, City Manager

ATTACHMENTS

• Draft Resolution, including Exhibit A, Grant Application