



# CITY OF COMMERCE AGENDA REPORT

**TO:** Honorable City Council

**FROM:** City Manager

**SUBJECT:** **ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR SENATE BILL 2 PLANNING GRANTS PROGRAM AND EXECUTE THE GRANT AGREEMENT**

**MEETING DATE:** October 15, 2019

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## **RECOMMENDATION:**

Approve the resolution authorizing the City Manager to execute the SB2 Grant application and all grant program documents.

## **BACKGROUND/ANALYSIS:**

The State of California, Department of Housing and Community Development (Department) has issued a Notice of Funding Availability (NOFA) dated March 28, 2019, for its Planning Grants Program (PGP) 3. The Department is authorized to provide up to \$123 million under the SB 2 Planning Grants Program from the Building Homes and Jobs Trust Fund for assistance to Counties (as described in Health and Safety Code section 50470 et. Seq. (Chapter 364, Statutes of 2017 (SB 2) related to the PGP Program.

Local governments are encouraged to apply for these non-competitive grant funds. The City of Commerce desires to submit a project application for the PGP program to accelerate the production of housing and staff will prepare a 2019 PGP grant application as described in the Planning Grants Program NOFA and SB 2 Planning Grants Program Guidelines released by the Department for the PGP Program for submittal.

The principal goal of this program is to make funding available to all local governments in California for the preparation, adoption and implementation of plans that streamline housing approvals and accelerate housing production. This grant program is meant to facilitate planning activities that will foster an adequate supply of homes affordable to Californians at all income levels. It is designed to help local governments meet the challenges of preparing and adopting land use plans and integrating strategies to promote housing development.

The City will be applying for funding, no later than the November 30, 2019 deadline, to assist in funding the Specific Plan for Washington Boulevard and Atlantic Boulevard, Housing Element update, Zoning Code update that is currently being prepared by MIG.

The State requires that the Council authorize and direct the City Manager to apply for and submit to the Department the 2019 Planning Grants Program application in the amount of \$160,000. In connection with the PCP grant, if the application is approved by the Department, the City Manager is authorized to enter into, execute, and deliver a State of California Agreement (Standard Agreement) for the amount of \$160,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the PGP grant, the City's obligations related thereto, and all amendments thereto (collectively, the "PGP Grant Documents").

#### **ALTERNATIVES:**

1. Provide alternative direction
2. Not approve the Resolution to apply and receive the grant (staff does not recommend this action as this type of funding is not often available)

#### **FISCAL IMPACT:**

If the grant is awarded by HCD, the Department budget will increase by \$160,000 to be used towards the General Plan update. The PGP grant will off-set a portion of MIG's contract, for the preparation of the General Plan and Zoning Ordinance update. MIG's contract for the preparation of the General Plan and Zoning Ordinance update is in the amount of \$1,376,221 and budgeted out of Measure AA funds.

#### **RELATIONSHIP TO STRATEGIC GOALS:**

The issue before the Council is applicable to the following Council's strategic goal: *"Create and pursue opportunities for collaboration and regional partnerships to maximize resources and address regional issues"* as identified in the 2016 Strategic Plan.

Recommended by: Daniel Hernandez, Director of Public Works & Development Services  
Prepared by: Manuel Acosta, Contract Planner  
Reviewed by: Josh Brooks, Acting Finance Director  
Reviewed by: Vilko Domic, Assistant City Manager  
Respectfully submitted: Edgar P. Cisneros, City Manager

#### **ATTACHMENTS:**

1. Resolution