



## Legislation Text

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**File #:** 21-0025, **Version:** 1

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Planning and Building Department, Planning Division, Long Range Planning recommending the Board:

- 1) Accept the grant award, in accordance with Board Policy A-6, in the amount of \$500,000 in Local Government Planning Support Grants Program funding (hereinafter referred to by the California Department of Housing and Community Development [HCD or Department] as the Local Early Action Planning Grants program or LEAP);
- 2) Adopt and authorize the Chair to sign Resolution **210-2021** to authorize the Planning and Building Department Director, or designee, to execute the grant agreement 20-LEAP-14912 and subsequent amendments thereto that do not affect the dollar amount or the term and to sign other grant related documents, contingent upon approval by County Counsel and Risk Management; and
- 3) Approve and authorize the Chair to sign a Fiscal Year 2020-21 budget amendment to accommodate the grant fund and related expenses. (4/5 vote required)

**FUNDING:** State Local Government Planning Support Grants Program.

### **DISCUSSION / BACKGROUND**

The State of California, Department of Housing and Community Development (Department) issued a Notice of Funding Availability (NOFA) dated January 27, 2020, for its Local Government Planning Support Grants Program (hereinafter referred to by the Department as the Local Early Action Planning Grants program or LEAP). In response to the 2019 NOFA, the County of El Dorado (County) submitted an application dated June 10, 2020, for an allocation of the LEAP Program funds up to the maximum amount available to the County of \$500,000. The LEAP Program provides funding to jurisdictions for the preparation and adoption of planning documents and process improvements that accelerate housing production to facilitate compliance in implementing the sixth cycle of the Regional Housing Needs Assessment (RHNA).

The LEAP Program is part of the broader Program formerly known as the Local Government Planning Support Grants Program, which was established as part of the state 2019-20 Budget Act. The 2019-20 Budget Act provides a spectrum of support, incentives, resources, and accountability to meet California's housing goals. The LEAP Program provides one-time grant funding to regions and jurisdictions for technical assistance, preparation and adoption of planning documents, and process improvements.

Utilizing the \$500,000 in LEAP Program funding, the County will be conducting three housing related activities: 1) create an Infill Incentives Ordinance; 2) expanding the County's Pre-Approved Accessory Dwelling Unit (ADU) Plan Program; and 3) complete an amendment to the County Zoning Ordinance (Title 130) Chapter 130.40 (Specific Use Regulations), Section 130.40.300 (Secondary Dwellings).

With approximately \$190,134 in grant funds, the first activity is the Infill Incentives Ordinance that is intended to assist developers in addressing barriers to residential infill development that currently exists in the County by providing incentives that may relax standards for certain types of residential

development.

The Infill Incentive Ordinance, which implements General Plan Policy 2.4.1.5 and Housing Element Measures HO-2013-4 and HO-2013-18, is one of the projects included on the Long Range Planning Project Prioritization Matrix for Fiscal Year 2020-21 that was presented and approved by the Board of Supervisors on March 17, 2020. An effective Infill Incentive Ordinance (standards, guidelines, etc.) would encourage infill development in areas with existing infrastructure investments, ensuring a more efficient use of land while taking advantage of the cost-effective delivery of existing services. This type of ordinance would also encourage development of needed housing in close proximity to employment, support the development and preservation of affordable housing, and ensure that new development is consistent in character and scale with established neighborhoods and business districts.

Incentives may include, but are not limited to, modifications of development standards to provide ministerial approvals thereby accelerating housing production, such as reduced parking and setback requirements to accommodate smaller or odd-shaped parcels, allowing for limited multi-family housing models in single family residential zones (duplex, triplex, and fourplex) and waivers or deferrals of certain development fees, helping to decrease or defer the costs of development that provide housing for extremely low-, very low-, low- and moderate-income households. The County anticipates being able to double the housing capacity of current infill locations with adoption of the Infill Incentive Ordinance.

The Infill Incentive Ordinance project is anticipated to take approximately 18-24 months to complete and includes five primary tasks: 1) Research and prepare a preliminary draft Infill Incentives Ordinance; 2) Conduct public outreach and gather public comments; 3) Prepare environmental documents; 4) Outline and prepare design guidelines and graphics for an Infill Design Manual; and 5) Prepare final draft Infill Incentives Ordinance and Design Manual for Board adoption. Major sub-tasks include providing public workshops to review drafts throughout the process and incorporating feedback into the final administrative draft for Board adoption.

With approximately \$293,282 in grant funds, the second activity is the expansion of the County's Pre-Approved ADU Program that is intended to encourage the construction of ADUs by offering property owners multiple pre-approved ADU building design plans that will provide housing for low- to moderate-income households. The first phase of the Permit Ready ADU Program is funded with grant funding awarded through Senate Bill 2 Building Homes and Jobs Act Planning Grants Program. Although some site-specific design work is required due to the topographic diversity in the county, a property owner can dramatically reduce pre-construction costs and receive expedited building permits by utilizing these pre-approved building design plans. This enhanced and expanded project will also include developing a website to provide ADU resources in one convenient place for the public to access information as well as developing public education materials. Project management will be conducted with a combination of County staff and consultant time.

The expansion of the ADU project includes seven primary tasks: 1) County will prepare and issue a Request for Proposal (RFP) for architectural plans to provide multiple pre-approved construction plans for use by property owners to reduce cost burden; 2) County will review and evaluate the proposals submitted, select an RFP to award the contract, and process the contract through execution. After the contract is executed, the Consultant shall conduct the following tasks in conjunction with County staff: 3) Develop an assortment of ready-to-build ADU plans; 4) Conduct

public outreach with stakeholders and community groups for input on plans and renderings; 5) Develop an ADU resource website as a one-stop-shop for ADU questions, answers and available resources; 6) Develop and produce an online ADU Implementation Manual that may include but not be limited to: permit application forms, checklists, and site considerations; and 7) Develop and produce public education and promotional materials for the ADU program with County staff and input from previously consulted stakeholders and community groups.

With approximately \$16,584 in grant funds, the third project is to complete an amendment to the County Zoning Ordinance (Title 130) Chapter 130.40 (Specific Use Regulations), Section 130.40.300 (Secondary Dwellings) and related Articles in compliance with Government Code (GC) Section 65852.2 and 65852.22. New laws make clear that nonconforming ordinances are void and the state standards specified in GC Section 65852.2 shall be enforced until such time a jurisdiction adopts its own ordinance, in accordance with state law. In order to preserve local preferences, Section 130.40.300 must be amended to comply with state law and preserve local preferences.

In addition to provisions required by state law, the amended ADU Ordinance proposes an exception to the local property owner occupancy rule (suspended until 2025) in accordance with the General Plan Housing Element Measure HO-2013-7 that directs the County to “explore models to encourage the creation of housing for persons with special needs, including developmental disabilities”. Proposed changes will exclude owner-occupancy requirements for licensed care facilities, nonprofit housing organizations and beneficiaries of special needs trusts owning the property.

The ADU Zoning Ordinance project includes five primary tasks: 1) Complete draft amendments to the ADU Ordinance for review by County Counsel; 2) Request review of draft ordinance by HCD to ensure conformance with state law; 3) Revise draft ordinance as necessary based on HCD feedback; 4) Present to Planning Commission and Board of Supervisors for public hearings and adoption; and 5) Submit to HCD for review of ordinance within 60 days after adoption.

On August 10, 2020, the County received notification of a conditional commitment of a LEAP grant award in the amount of \$500,000 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.

On December 22, 2020, the County received Standard Agreement 20-LEAP-14912, and exhibits, from the Department for review and execution prior to the expenditure of grant funds.

Staff is requesting acceptance of the LEAP grant funds and approval of a resolution authorizing the Planning and Building Department Director, or designee, to act on the County’s behalf in all matters pertaining to this grant to enter into, execute, and deliver a State of California Standard Agreement (No. 20-LEAP-14912) for the amount of \$500,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the LEAP grant, the County’s obligations related thereto, and all amendments thereto (collectively, the “LEAP Grant Documents”) that do not affect the dollar amount or the term, contingent upon approval by County Counsel and Risk Management.

## **ALTERNATIVES**

The Board may reject staff’s recommendation to accept funding from the State LEAP Program which would result in the one-time funds allocation to the County being forfeited.

### **PRIOR BOARD ACTION**

On May 19, 2020, the Board adopted Resolution 085-2020 authorizing the County to submit LEAP grant application to the Department for an allocation of \$500,000 of the LEAP Program funds to accelerate the production of housing (see Board Minutes, Item 17, Legistar File No. 20-0570).

On March 17, 2020, the Board of Supervisors approved and endorsed a final Matrix that prioritizes County-initiated land use and housing projects managed by the Long Range Planning Unit for Fiscal Year 2020-21 (see Board Minutes, Item 27, Legistar File No. 20-0326).

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel, Risk Management

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

The LEAP grant funding will assist the County and Planning and Building Department with programs to accelerate the production of housing. No matching funds are required from the County in connection with these grant funds. Costs associated for the above projects will be grant funded on a reimbursement basis. Staff time required for the projects will be provided with grant funding. The grant allows for staff time directly related to the activity administration to be reimbursed with grant funds. Under the terms of the LEAP grant funding, all activities must be completed and grant funds expended by December 31, 2023. The grant funding directly offsets the General Fund cost of these projects.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Clerk to obtain Chair's signature on one (1) original copy of the Resolution.
- 2) Clerk of the Board will forward two (2) certified copies of the fully executed Resolution to Planning and Building Department, attention of C.J. Freeland, HCED Programs.

### **STRATEGIC PLAN COMPONENT**

Economic Development/Housing: "Provide attainable housing options - balance jobs with housing".

### **CONTACT**

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