



Legislation Text

File #: 23-1286, **Version:** 1

Planning and Building Department, Planning Services Division, Long Range Planning Unit staff, recommending the Board authorize the Planning and Building Department Director to execute Amendment I to Memorandum of Understanding 220007 with Sacramento Area Council of Governments for the Regional Early Action Planning Grant Program extending the term of the agreement by nine and half months, through May 15, 2024, with no change to grant award amount.

FUNDING: California Department of Housing and Community Development Local Government Planning Support Grants Program, Regional Early Action Planning Grants and Discretionary Transient Occupancy Tax.

DISCUSSION / BACKGROUND

California Assembly Bill 101 established the Local Government Planning Support Grants Program to provide regions and jurisdictions with one-time funding to establish priorities that increase housing planning and accelerate housing production. The State's Local Government Planning Support Grants Program will bring almost \$14 million to the region for housing planning related activities. Under this program, the funding going directly to regions is called the Regional Early Action Planning (REAP) program. The REAP program funding is available to the County through Sacramento Area Council of Governments (SACOG) as the regional Council of Governments.

The REAP program funds must be used to increase housing planning and accelerate housing production through an improved Regional Housing Needs Allocation (RHNA) methodology established by SACOG, provide technical assistance to cities and counties, and support local efforts to accelerate housing production.

The SACOG Board approved a plan for the REAP funds that include a non-competitive grant program to distribute REAP funds to local jurisdictions based on their Cycle 6 RHNA. Based on SACOG's RHNA formula, El Dorado County is eligible for a second round of REAP funding of up to \$90,000 to assist with development of an Affordable Housing Incentive Ordinance to support the acceleration the production of affordable housing.

REAP grant funds were awarded to help the County develop an Affordable Housing Ordinance that will encourage and assist the development of housing that is affordable to extremely low-, very low-, low-, and moderate-income households by considering a variety of housing policy tools, including inclusionary housing.

The Affordable Housing Ordinance will incorporate and expand upon existing affordable housing incentives prescribed by state law and shall incorporate the affordable housing provisions from the County's Land Development Manual (LDM), Residential Development Processing Procedures; and Infill Incentives Ordinance with an emphasis on promoting incentives to encourage development of affordable housing in high resource areas to improve economic mobility between high and low resource areas that improve equity and affirmatively further fair housing. The County anticipates being able to streamline the approval process and increase affordable housing development while

promoting anti-displacement policies through adoption of the Affordable Housing Ordinance.

It is anticipated that the forthcoming Affordable Housing Task Force will review and provide input on the Affordable Housing Ordinance. There has been a delay in starting the Task Force due to Housing staffing vacancies, however a Housing consultant is now on board to assist in this effort. This delay is, in part, the reason for this request to extend the grant agreement term. The Affordable Housing Task Force is expected to convene by late summer and review of the ordinance will be the Task Force's initial task. Recommendations on the ordinance will be presented to the Board before the end of the year.

On November 10, 2020 (File No. 20-1320, Item No. 32), the Board accepted \$35,000 in REAP funding from SACOG to assist with the General Plan Housing Element Update 2021-2029 land inventory process required to meet the County's RHNA allocation. At that time the Board authorized the Planning and Building Department Director, or designee, to execute a Memorandum of Understanding with SACOG for the grant funding.

On April 13, 2021 (File No. 21-0502, Item No. 21), the Board endorsed the Long Range Planning Project Prioritization Matrix for Fiscal Year 2021-22 and directed staff to prioritize an Affordable Housing Ordinance as a Tier 1 (highest) priority on the work plan.

On October 12, 2021 (File No. 21-1338, Item No. 17), the Board accepted \$90,000 in REAP funding from SACOG to assist with the development of an Affordable Housing Incentive Ordinance to support the acceleration of affordable housing. At that time the Board authorized the Planning and Building Department Director, or designee, to execute a MOU with SACOG for the grant funding.

This proposed Amendment I to MOU 220007 between SACOG and the County, for the \$90,000 in REAP grant funding, will extend the term of the agreement through May 15, 2024, with final invoices for reimbursement due to SACOG by June 15, 2024.

ALTERNATIVES

The Board may reject staff recommendation to accept the state REAP program from SACOG which would result in forfeiting the funding allocation to the County which would delay the development of an Affordable Housing Ordinance until other funding resources can be identified.

PRIOR BOARD ACTION

See Discussion/Background above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and SACOG.

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

There is no Net County Cost related to the approval of this item. The REAP funds of \$90,000 and the required matching funds in the amount of \$75,000 are included in the Fiscal Year 2023-24 Recommended Budget. The \$75,000 of Discretionary Transient Occupancy Tax matching funds were carried over from the Fiscal Year 2022-23 Economic Development Budget.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Good Governance - Promote the development of resources to identify and pursue additional revenue including local, state, federal and private funding for new and existing projects.

Healthy Communities - Achieve sufficient and attainable housing for all El Dorado County residents.

Economic Development - Provide attainable housing options - balance jobs with housing.

CONTACT

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