



## CITY COUNCIL AGENDA REPORT

**Meeting Date:** October 3, 2019

**From:** John Swiecki, Community Development Director

**Subject:** Senate Bill 2 Planning Grants Application Resolution

### Community Goal/Result

Community Building - Brisbane will honor the rich diversity of our city (residents, organizations, businesses) through community engagement and participation

Ecological Sustainability - Brisbane will be a leader in setting policies and practicing service delivery innovations that promote ecological sustainability

Fiscally Prudent - Brisbane's fiscal vitality will reflect sound decisions which also speak to the values of the community

### Purpose

Obtain state grant funding to undertake required housing-related zoning and subdivision ordinance updates to comply with State housing law.

### Recommendation

Adopt Resolution 2019-57 authorizing staff to submit an application for an SB 2 Planning Grant to the Department of Housing and Community Development.

### Background

Senate Bill 2 (SB 2) was passed in 2017 as part of a package of housing-related bills in the California legislature. SB 2 instituted a \$75 fee on real estate transaction documents to fund the Building Homes and Jobs Trust Fund.

In addition to serving as a permanent source of funding for housing development in the State, SB 2 established a one-time grant program to distribute a total of \$123 million to local governments throughout the State to fund planning efforts that will facilitate and accelerate housing development. These grants for local governments are noncompetitive for eligible activities, including but not limited to zoning ordinance updates and updates to planning documents intended to facilitate the production of housing. In order to be eligible to apply for SB 2 Planning Grants, a jurisdiction must have a compliant Housing Element and be in compliance with the State's annual Housing Element reporting requirements. The City of Brisbane is compliant with these requirements and is eligible to apply for SB 2 funds.

Based on the SB 2 Planning Grant Notice of Funding Availability (NoFA; see Attachment 3), priority policy initiatives for the grant program include proposals to rezone to permit housing by-right, adopt objective (nondiscretionary) housing design and development standards, and implement expedited and streamlined processing for housing development applications.

The maximum grant varies per jurisdiction based on the population size. Based on Brisbane's population, the maximum grant amount the City may apply for is \$160,000. Funds will be disbursed quarterly by the State on a reimbursement basis. The deadline to apply for SB 2 Planning Grants is November 30, 2019.

### **Discussion**

A recommended work program for the City's SB 2 grant application is provided as Attachment 2. The work program includes one project intended to bring the City into compliance with current State law related to adoption of objective design and development standards for housing developments (2017 Housing Accountability Act), and other programs to streamline the approval of housing development in the NCRO-2 and SCRO-1 zoning districts and identify potential funding options for future development of affordable housing in the City.

It is recommended that the City contract with a consultant firm or firms to complete the work program utilizing SB 2 grant funds. Professional services agreements to implement the work program will be agendized separately for City Council approval following approval of the City's grant application.

### **Fiscal Impact**

None. Based on consultation with the State's grant program technical assistance consultants, staff anticipates the \$160,000 grant request will fully fund the work program, including hiring a consultant firm or firms. Up to five percent of the funds (\$8,000) may be used to cover administrative costs to implement the work program.

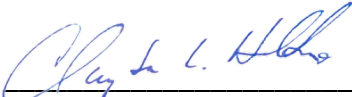
### **Measure of Success**

For the City to obtain available grant funding to ensure the City's planning regulations and zoning ordinance comply with State law while reflecting community values and objectives pertaining to new residential construction.

### **Attachments**

1. Resolution 2019-57 Authorizing Staff to Apply for \$160,000 SB 2 Planning Grant
2. SB 2 Planning Grant Work Program
3. [SB 2 Planning Grant Notice of Funding Availability](#) (web link only)

  
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John Swiecki, Community Development Director

  
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Clay Holstine, City Manager

**RESOLUTION NO. 2019-57**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE  
AUTHORIZING APPLICATION FOR, AND RECEIPT OF,  
SB 2 PLANNING GRANTS PROGRAM FUNDS**

WHEREAS, 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); and

WHEREAS, the City Council of the City of Brisbane desires to submit a project application for the PGP program to accelerate the production of housing and will submit 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; and

WHEREAS, 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.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BRISBANE  
RESOLVES AS FOLLOWS:

**SECTION 1.** The City Council is hereby authorized and directed to apply for and submit to the Department the 2019 Planning Grants Program application in the amount of \$160,000.

**SECTION 2.** In connection with the PGP grant, if the application is approved by the Department, the City Manager Clayton Holstine 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").

**SECTION 3.** The City shall be subject to the terms and conditions as specified in the Standard Agreement, the SB 2 Planning Grants Program Guidelines, and any applicable PGP guidelines published by the Department. Funds are to be used for allowable expenditures as specifically identified in the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application will be enforceable through the executed Standard Agreement. The City Council hereby agrees to use the funds for eligible uses in the manner presented in the application as approved by the Department and in accordance with the Planning Grants NOFA, the Planning Grants Program Guidelines, and 2019 Planning Grants Program Application.

**SECTION 4.** The City Manager Clayton Holstine is authorized to execute the City of Brisbane's Planning Grants Program application, the PGP Grant Documents, and any

amendments thereto, on behalf of the City as required by the Department for receipt of the PGP Grant.

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MADISON DAVIS  
Mayor

I hereby certify that the foregoing Resolution No. 2019-57 was duly and regularly adopted at a regular meeting of the Brisbane City Council on October 3, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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INGRID PADILLA  
City Clerk

**City of Brisbane**  
**SB 2 Planning Grant Program Application**  
**Proposed Work Program**

**1. Zoning and Subdivision Ordinance Amendments**

- a. Permit Streamlining for New Multi-family/Mixed-use Development: Update Design Permit regulations (BMC Chapter 17.42 and special findings in individual zoning district regulations) and eliminate Use Permit requirement in key districts (see Item 1.b below) to provide objective findings/standards for approval of multifamily projects.
- b. SCRO-1 Southwest Bayshore Commercial District Zoning Update: Update the SCRO-1 district zoning regulations to allow for residential uses as permitted by-right and update the design and development standards accordingly, rather than by conditional use permit.
- c. NCRO-2 Downtown Brisbane Neighborhood Commercial District Zoning Update: Update the NCRO-2 district zoning regulations to allow for residential uses as permitted by-right, rather than by conditional use permit, and update the design and development regulations to clarify the development provisions. This could include, but not be limited to, establishment of development density standards and possibly reduction of the residential parking standards for this district.
- d. Subdivision Ordinance Update: Update outdated and cumbersome subdivision ordinance to streamline project approvals and construction.

**2. Environmental Review/Clearance**

- a. Since property within the SCRO-1 district is within the San Bruno Mountain Habitat Conservation Plan (HCP) area, contract with a biological consultant to conduct up-front biological assessment work across the entire SCRO-1 district, subject to the biological assessment standards adopted by the HCP Plan Operator (San Mateo County Parks Department).
- b. Based on the biological assessment, work with the Plan Operator to develop a district-wide HCP Operating Program consistent with the requirements of the HCP, to provide greater development certainty and environmental streamlining, consistent with the California Environmental Quality Act.

**3. Updated Commercial Nexus Fee**

- a. Update 2015 Commercial Nexus Fee study to generate funds to build or subsidize affordable housing.