

## TOWN COUNCIL STAFF REPORT

Subject: Approve the resolution authorizing the application for, and receipt of, SB2 Planning Grant Program Funds

Meeting Date: May 1, 2019

Written by: Sandra Moberly, Community and Economic Development Director

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### **RECOMMENDATION:**

Staff recommends Town Council approve the resolution authorizing the application for, and receipt of, SB2 Planning Grant Program Funds.

### **BACKGROUND:**

In 2017, Governor Brown signed a 15-bill housing package to address the state's housing shortage and high housing costs. The approval included the Building Homes and Jobs Act (SB 2), which established a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. Because the number of real estate transactions recorded in each county will vary from year to year, the revenues collected will fluctuate.

The state is currently in Year 1 (2019) of the funding cycle which is intended to fund planning grants and homelessness programs. Year 2 (2020) and beyond will include funding for locally administered affordable housing (70% of funds) and State Administered affordable housing (30% of funds).

The Year 1 funding is intended to provide funding and technical assistance to all local governments in California to help cities and counties prepare, adopt, and implement plans and process improvements that streamline housing approvals and accelerate housing production.

### **ANALYSIS:**

The current SB2 funding is considered "over the counter" and is not a competitive process. The Town of Mammoth Lakes has been allocated \$160,000 in funding which will be disbursed upon the completion of an application which includes a resolution from the Town Council authorizing the submittal and receipt of the funds (Attachment 1).

The current Conceptual Land Use Planning process for The Parcel is an eligible activity because it accelerates housing production which is the purpose of the SB2 funding. Staff is working with MLH to prepare the grant application documents including an analysis showing the nexus between the Conceptual Land Use Planning process and housing production.

Staff has reviewed the grant threshold requirements and has spoken with HCD technical assistance staff and had determined that the threshold requirements are met. The threshold requirements include:

- ✓ Have an HCD-compliant housing element,
- ✓ Have submitted a recent Annual Progress report,
- ✓ Demonstrate a nexus to accelerating housing production, and
- ✓ Demonstrate that the applicant is consistent with State Planning Priorities (Government Code Section 65041.1) or other planning priorities.

The Town meets all of the threshold requirements and is able to submit an application to receive funding.

### **OPTIONS ANALYSIS**

Option 1: Approve the resolution authorizing the application for, and receipt of, SB2 Planning Grant Program Funds.

Option 2: Modify the resolution authorizing the application for, and receipt of, SB2 Planning Grant Program Funds.

Option 1 would allow the Town Manager to submit an application for, and receive, SB2 Planning Grant Program Funds.

Option 2 would allow the Town Manager to submit an application for, and receive, SB2 Planning Grant Program Funds with modifications as directed by Town Council.

### **STAFFING/FINANCIAL CONSIDERATIONS:**

The funding is intended to assist local governments in accelerating housing production. The Town is currently working to produce housing on The Parcel and has dedicated staff and financial resources to this work effort. The SB2 funding will be used to facilitate this work effort.

#### **Attachments:**

1. Town Council Resolution No. 19-