



**COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY**

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>
Mali LaGoe, Acting Agency Director

Agricultural Commissioner

Building

Environmental Health

Farm Advisor

Planning

Public Works

**NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo**

MEETING DATE: January 26, 2021

TO: Board of Supervisors

FROM: **Brian Foss, Planning Director**

SUBJECT: Resolution authorizing application for Regional Early Action Planning (REAP) Grant Program Funds

RECOMMENDATION: Adopt the resolution authorizing the Regional Early Action Planning Grant application executed by the Community Development Agency (CDA).

FUNDING: N/A. This resolution reflects the intent to apply and receive for grant funds. A resolution for FY 21-22 contract expenses and offsetting grant revenues will come back to the Board with request for Budget amendment.

ATTACHMENTS:

1. Draft Board Resolution Authorizing Submittal of the REAP Grant Application
2. Draft Scope of Work- Mother Lode Region Accessory Dwelling Units Workbook

BACKGROUND: On February 27, 2020 the State of California, Department of Housing and Community Development Division of Policy Development announced a Notice of Funding Availability for the Regional Early Action Planning (REAP) Grants Program. Only eligible local jurisdictions (council of governments, multi-agency working groups and select rural counties) may apply for this grant. Applications must be submitted as a signed complete application with an electronic copy and may also be submitted electronically via email by January 31, 2021.

The principal goal of the REAP Grant Program is to make funding available to councils of governments and other regional entities for the preparation, adoption, and implementation of plans and processes that accelerate housing production and facilitate compliance in implementing the sixth cycle of the regional housing need allocation (RHNA).

To this effect, the State of California Department of Housing and Community Development has included Nevada County in the “Mother Lode Region” (MLR) with Amador, Calaveras and Mariposa Counties with the goal of collaborating and encouraging the development of affordable housing throughout the region. Subsequently, the MLR working group has prioritized the development of an Accessory Dwelling Unit (ADU) Workbook to provide resources to homeowners and developers regarding the creation of ADUs within a given jurisdiction. Each jurisdiction in the MLR can use a portion or all of their REAP funding towards the preparation of the MLR ADU workbook. The consultant cost is estimated at approximately \$125,000-175,000 and therefore, the Community Development Agency recommends earmarking \$45,000 of the County’s \$462,699 REAP funds toward this purpose. The Draft Scope of Work for the MLR ADU Workbook is attached for reference.

The Community Development Agency plans to use the remaining \$417,699 of the REAP grant to assist the public’s need for housing that is more affordable by: 1) Updating and potentially consolidated the County’s Density Bonus (LUDC Sec. L-II 3.16) and Senior Citizen and Disabled Housing Facilities (LUDC Sec. L-II 3.20) Ordinances (estimated \$75,000); 2) Implementing several programs of the 6th Cycle Housing Element that required updates to the County’s Zoning Regulations (estimated \$35,000); 3) Nexus AB1600/Feasibility Study to reduce development impact and permit fees collected for ADUs (estimated \$130,000); and/or 4) Partnering with regional jurisdictions to sub-allocate funding to perform sphere of influence infrastructure planning in partnership with those jurisdictions with the goal of removing potential pinch points in sewer and water system infrastructure that have historically limited housing development potential within the sphere area (estimated \$175,000). Each potential project is briefly discussed below.

- 1) The County’s Density Bonus and Senior Citizen/Disabled Housing Ordinances are intended to provide incentives to developers to building affordable housing. These ordinances have fallen behind recent updates to State Density Bonus law, are somewhat redundant/confusing (both include provisions for allowing density bonus) and have been underutilized. The desire of the Community Development Agency would be to bring these regulations into compliance with recent updates to the applicable laws, with the intention of encouraging the development of more affordable housing in Nevada County.
- 2) The County’s 6th Cycle Housing Element included a few programs that require updates to the County’s zoning regulation to ensure Nevada County remains compliant with State Housing Element laws and regulations. The overall purpose of these programs is to promote and streamline the approval of higher density and affordable housing developments. While the County will be required to implement these programs regardless of this grant funding, the REAP funds would be utilized to help augment the Planning Department’s budget to allocate staff time to complete this task.
- 3) Fees for ADUs vary in Nevada County. Recent State ADU laws further restrict the collection of development impact fees on smaller ADUs and allows a proportionate (to a single-family dwelling) fee for larger ADUs. The most recent County ADU regulations allow for a fee deferral but do not waive any fees and a “proportioned

share” is an arbitrary amount based primarily on square footage and project valuation. The purpose of this study would be reducing the cost of building an ADU in Nevada County and creating certainty for homeowners and developers who are budgeting to build an ADU.

- 4) One of the significant goals of the County General Plan is to coordinate with the cities/town in land use planning and development within their spheres (General Plan Goal 1.8). The General Plan further encourages growth within Community Regions as these areas typically have available infrastructure, services and amenities to support larger residential populations. The rural regions of the County are less suitable for compact higher density development due to the lack of available infrastructure, primarily regional public sewer and water. The purpose of this project would be to work with the County’s regional jurisdictions to analyze potential infrastructure constraints, such as undersized sewer lines to develop a plan and a program for assisting those jurisdictions with infrastructure upgrades that would support the development of housing within the spheres.

The REAP is a part of the broader Local Government Planning Support Grants Program to address the state’s housing crisis. The Community Development Agency is currently participating in the Local Early Action Planning Grant (LEAP) for work on the Higgins Area Plan and to create stock housing plans for ADUs. Upon notification of the award of REAP funding, the matter will be brought back before this Board for approval of the grant award and execution of the Standard Agreement.

Item Initiated by: Brian Foss, Planning Director

Approved by: Mali LaGoe, Acting Agency Director

Submittal Date: 1/11/2021

Revision Date: