



AGENDA

LAND USE SUBCOMMITTEE

(Virtual Meeting)

When: May 20, 2020 04:30 PM Pacific Time (US and Canada)

Topic: Land Use Subcommittee

Please click the link below to join the webinar:

<https://zoom.us/join>

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Council Subcommittee Members

Juan Antonio Banales

Holland Barrett White

Planning Commission Subcommittee Members

Elissa Robinson

Christopher Moreno

-
- 1. Public Comment for Non-Agenda Items:** Please use Q&A feature on zoom.
 - 2. Local Early Action Planning Grants (LEAP) Application**
Staff is requesting feedback on the suggested programs to include in the LEAP grant application, which is due by July 1, 2020.
 - 3. Non-Agenda Items**



City of Pittsburg

**PLANNING DIVISION
COMMUNITY DEVELOPMENT DEPARTMENT
Memorandum**

MEMO: May 20, 2020
TO: Land Use Subcommittee Members
FROM: Trishia Caguiat, Associate Planner
RE: Local Early Action Planning Grants (LEAP) Application

Due to the unprecedented need for affordable housing, the State has made another one-time planning grant program available to local agencies to further incentivize housing production. On January 27, 2020, the State Housing of Community Development (HCD) released a Notice of Funding Availability (NOFA) for approximately \$119 million in one-time funds for the Local Early Action Planning Grants Program (LEAP). Similar to last year's Senate Bill 2 planning grant program, LEAP provides non-competitive grant funding to local agencies based on population to encourage housing production. Pittsburg is classified as a "medium city" eligible for a maximum award of \$300,000.

After consideration of potential projects that would be eligible for LEAP funding, staff recommends the following options (all of which would also be consistent with the state's new "Pro-housing Designation Program," enabling the City to be more competitive for future grant opportunities):

- 1) 6th Cycle RHNA Housing Element Update (\$100,000).** In late 2020, the Housing Element update process will begin with the new regional housing needs allocation (RHNA) for the 2024 to 2032 housing cycle. The update will require a study to identify new eligible residential sites that can be utilized to fulfill the next RHNA cycle. Staff proposes approximately \$100,000 of the LEAP grant money to fund the hiring of a consultant and fund a portion of staff time required to develop a housing needs assessment, market analysis report, perform community engagement, environmental review, and draft the new Housing Element policy document.
- 2) Railroad Avenue Specific Plan (RASP) & Pittsburg-Bay Point BART Master Plan Updates (\$150,000).** On September 30, 2018, the Governor of California signed Assembly Bill 2923 into law which requires that the Bay Area Rapid Transit (BART) 2017 Transit Oriented Development (TOD) guidelines shall serve as the zoning standards for BART owned properties a quarter mile from designated BART stations. Each of the Pittsburg station area plans has zoning development standards that can be revised to better comply with AB2923 and help accelerate housing production, as indicated in the table below:

	BART TOD guidelines	Pittsburg-Bay Point Master Plan (High Density Residential)	Railroad Avenue Specific Plan (TOD High)
Residential Density	75 units per acre (minimum)	50-70 units per acre	30-65 units per acre
Building Height	5 stories	5 stories	3 story minimum; 65-foot maximum
FAR	3.0	N/A	1.0
Vehicle Parking (Residential)	1 space per unit	1.15 spaces per unit	1-1.5 spaces per unit
Vehicle Parking (Commercial)	2.5 per 1,000 sq. ft.	3 per 1,000 sq. ft.	1 per 333 sq. ft.
Bicycle Parking	1 space per unit	0-1 spaces per land use designation	1 per 2,500 sq. ft. of gross building area

Staff anticipates that both BART Pittsburg area specific plans will require, 1) updated development standards to meet the BART TOD guidelines; 2) development of revised transportation thresholds through a transportation demand management program; and 3) updated environmental review and market studies to reflect the new transportation thresholds under the requirements of SB 743. Estimated program funding would be \$75,000 per specific plan, for a total of \$150,000 of grant funding which would be used to hire a consulting firm and pay for a portion of staff time to conduct the specific plan updates.

- 3) Expedite Permit Processes through Technological Updates (\$50,000).** The City of Pittsburg Community Development Department is in the process of migrating its current permit review software (Eden) to a new, more efficient platform that would expedite permit processing to be nearly 100-percent virtual with real-time project status updates and project fee generation. The development sector is moving towards greener and more efficient digital plan check which will allow development of new housing projects, along with other project types, to be completed more quickly and efficiently. New software such as Accela, would consolidate various types of permits within one software program to provide real-time project status updates and digitally route plans among divisions of the department. Additionally, the software provides a means for applicants to submit plans digitally, and receive email, telephone text and real-time web updates on project application status, receive project fee estimates and make payments virtually. Rough estimated program funding of \$50,000 to be applied to the purchase of permit expediting software.

Feedback Requested: Staff is seeking Subcommittee feedback on the listed programs prior to completing the LEAP application forms and requesting formal City Council authorization. Grant guidelines require applicants to provide an adopted City Council resolution authorizing a request for funding. The deadline for the LEAP grant application is July 1, 2020. If the subcommittee concurs with staff's recommended programming, staff is looking to present the draft LEAP program scope and authorization resolution during the June 15, 2020, City Council meeting.

Attachment: LEAP NOFA dated January 27, 2020

Prepared by: Trishia Caguiat, Associate Planner

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2771 / FAX (916) 263-2763
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January 27, 2020

MEMORANDUM FOR: All Potential Applicants

**FROM: Zachary Olmstead, Deputy Director
Division of Housing Policy Development**

**SUBJECT: NOTICE OF FUNDING AVAILABILITY -
LOCAL EARLY ACTION PLANNING GRANTS PROGRAM**

The California Department of Housing and Community Development (Department) is pleased to announce the release of this Notice of Funding Availability (NOFA) for approximately \$119,040,000 as part of the Local Early Action Planning Grants Program (LEAP or Program). LEAP is made available as a portion of the Local Government Planning Support Grants Program pursuant to Chapter 3.1 of Health and Safety Code (Sections 50515 to 50515.05) (Chapter 159, Statutes of 2019). LEAP provides funding to jurisdictions for the preparation and adoption of planning documents, process improvements that accelerate housing production, and facilitate compliance in implementing the sixth cycle of the regional housing need assessment (RHNA).

In order to be eligible for grant funding, an applicant must submit a completed, signed original application and an electronic copy on CD or USB flash drive. Applications will be accepted on an Over-the-Counter (OTC) basis as of the date of this NOFA through July 1, 2020. The Department encourages early applications and will accept applications post-marked by the July 1, 2020 deadline. Applicants may utilize various carrier services, such as the U.S. Postal Service, UPS, FedEx, or other carrier services. All applications must be submitted to the Department at the following address:

**California Department of Housing and Community Development
Division of Housing Policy Development
2020 West El Camino Ave, Suite 500
Sacramento, CA 95833**

Program applications, forms and instructions are available on the Department's website at <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>. If you have questions regarding this NOFA, please email the Department at EarlyActionPlanning@hcd.ca.gov.

Attachment

**LOCAL EARLY ACTION PLANNING GRANTS PROGRAM
(LEAP)
2020 NOTICE OF FUNDING AVAILABILITY**



**State of California
Governor Gavin Newsom**

**Alexis Podesta, Secretary
Business, Consumer Services and Housing Agency**

**Douglas R. McCauley, Acting Director
California Department of Housing and Community Development**

**Zachary Olmstead, Deputy Director
California Department of Housing and Community Development
Division of Housing Policy Development**

2020 West El Camino Avenue, Suite 500
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Website: <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>

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January 27, 2020

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2019 NOTICE OF FUNDING AVAILABILITY LOCAL EARLY ACTION PLANNING GRANTS PROGRAM

I. Introduction

The California Department of Housing and Community Development (Department) is pleased to announce the release of this Notice of Funding Availability (NOFA) for approximately \$119,040,000 as part of the Local Early Action Planning Grants Program (LEAP or Program). LEAP is made available as a portion of the Local Government Planning Support Grants Program pursuant to Chapter 3.1 of Health and Safety Code (Sections 50515.03 (Chapter 159, Statutes of 2019)). The Program provides funding to jurisdictions for the preparation and adoption of planning documents, process improvements that accelerate housing production, and facilitate compliance in implementing the sixth cycle of the RHNA.

II. Authority and Scope

This NOFA is authorized pursuant to Chapter 3.1 of Health and Safety Code (Sections 50515 to 50515.05). The NOFA implements, interprets, and makes specific provisions for purposes of implementing planning grants to jurisdictions pursuant to 50515.03 (hereinafter "LEAP").

This NOFA establishes terms, conditions, forms, procedures and other mechanisms as the Department deems necessary to exercise the powers and perform the duties conferred by Chapter 3.1.

The matters set forth herein are regulatory mandates, and are adopted in accordance with the authorities set forth below:

Quasi-legislative regulations ... have the dignity of statutes ... [and]... delegation of legislative authority includes the power to elaborate the meaning of key statutory terms...

Ramirez v. Yosemite Water Co., 20 Cal. 4th 785, 800 (1999)

Further, the Department may implement the Program through the issuance of forms, guidelines, and one or more NOFAs, as the Department deems necessary, to exercise the powers and perform the duties conferred on it by this chapter. Any forms, guidelines, and notices of funding availability adopted pursuant to this section are hereby exempted from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). (Health and Safety Code Section 50515.04(f)).

The Department reserves the right, at its sole discretion, to suspend or amend the provisions of this NOFA, including, but not limited to, grant award amounts.

III. Program Summary

The Local Early Action Planning Grants Program (LEAP or Program) is part of the broader Program formerly known as the Local Government Planning Support Grants Program, which was established as part of the 2019-20 Budget Act. The 2019-20 Budget Act provides a spectrum of support, incentives, resources and accountability to meet California’s housing goals. Some specific elements include:

- Planning Support (local and regional planning grants)
- Incentives (Prohousing preference and infill incentive grants)
- Funding Resources
- Accountability (penalties for noncompliant housing plans)
- Reform (collaborative processes to reform regional housing needs)

The Local Government Planning Support Grants Program provides one-time grant funding to regions and jurisdictions for technical assistance, preparation and adoption of planning documents, and process improvements. The over-arching goals of the Program are to (1) accelerate housing production; and (2) facilitate compliance to implement the sixth cycle of the regional housing need assessment (RHNA).

IV. Program Timeline

Grants will be available to eligible applicants on a noncompetitive, Over-the-Counter (OTC) basis. Applications will be accepted from the date of the release of this NOFA and up until July 1, 2020. See Table 1 below for the anticipated timeline for awards for the OTC period.

Event	Date
NOFA Release	January 27, 2020
NOFA Application Webinar	February 14, 2020
NOFA Application Workshops	February and March 2020
Final Due Date for OTC Applications	July 1, 2020
Technical Assistance	February 2020 through December 31, 2023
Expenditure Deadline	December 31, 2023

The Department will review applications within 30 days and target award of applications within 60 days, with subsequent Standard Agreements processed within 60 days of award. Applicants are encouraged to submit early in the application window.

The Department will hold workshops and a webinar to review the LEAP NOFA and application and will be conducting technical assistance to aid applicants throughout the OTC period and implementation of the grant. For a list of dates, times, and locations for the workshops as well as information on technical assistance, please visit the Department’s website at <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>.

V. Award Amounts

This Program will make \$119,040,000 dollars available to jurisdictions for Program implementation, including state operations and expenditures, and technical assistance. Maximum award amounts are based on population estimates as of January 1, 2019.¹ The minimum award amount is \$25,000. The maximum amount that a jurisdiction may receive pursuant to this subdivision shall be as follows:

Jurisdiction Size (in population)	Maximum Award Amount
750,000 or greater	\$1,500,000
300,000 to 749,999	\$750,000
100,000 to 299,999	\$500,000
60,000 to 99,999	\$300,000
20,000 to 59,999	\$150,000
Less than 20,000	\$65,000

Applicants seeking partnerships with other local governments will be additive. For example, two jurisdictions between 100,000 and 299,999 people could submit a proposal for up to \$1.0 million.

VI. Eligible Applicants

Eligible applicants are limited to local governments, i.e., cities and counties. However, local governments may partner through legally binding agreements with other forms of governments or entities where the proposal will have a direct effect

¹ Population estimates, posted as of January 1, 2019, are based on the Department of Finance E-1 report. Official maximum amounts per jurisdiction can be found at the Department’s website at <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>.

on land-use or development within the participating localities. This includes, but is not limited to, partnerships with other localities, regional governments, housing authorities, school districts, special districts, community-based organizations, or any duly constituted governing body of an Indian Reservation or Rancheria. Applicants forming partnerships, must submit separate, completed and signed application packages, including resolutions and a copy of the signed agreement between partners to the Department in order to be awarded funds.

VII. Eligible Activities

Eligible activities must demonstrate an increase in housing related planning activities and facilitate accelerated housing production. Eligible activities may be part of a larger planning effort (e.g., a comprehensive zoning code update) if proposed activities have not been completed prior to the NOFA date, are distinct, and demonstrate a nexus to accelerating housing production. Eligible activities are not necessarily jurisdiction-wide and may include a smaller geography with a significant impact on housing production. For example, eligible activities may include a housing development-related project with a significant community level impact, or planning or process improvement for a project with an ongoing community impact beyond the project. Eligible activities may include a variety of planning documents and processes, including, but not limited to, the following as set forth in Health and Safety Code section 50515.03(c):

1. Rezoning and encouraging development by updating planning documents and zoning ordinances, such as General Plans, community plans, specific plans, implementation of sustainable communities' strategies, and local coastal programs;
2. Completing environmental clearance to eliminate the need for project-specific review;
3. Establishing housing incentive zones or other area-based housing incentives beyond State Density Bonus Law such as a workforce housing opportunity zone pursuant to Article 10.10 (commencing with Section 65620) of Chapter 3 of Division 1 of Title 7 of the Government Code, or a housing sustainability district pursuant to Chapter 11 (commencing with Section 66200) of Division 1 of Title 7 of the Government Code;
4. Performing infrastructure planning, including for sewers, water systems, transit, roads, or other public facilities necessary to support new housing and new residents;
5. Planning documents to promote development of publicly-owned land, such as partnering with other local entities to identify and prepare excess or surplus property for residential development;
6. Revamping local planning processes to speed up housing production;
7. Developing or improving an accessory dwelling unit ordinance in compliance with Section 65852.2 of the Government Code;
8. Planning documents for a smaller geography (less than jurisdiction-wide) with a significant impact on housing production, including an overlay district, project level specific plan, or development standards modifications proposed for significant areas of a locality, such as corridors, downtown or priority growth areas;

9. Rezoning to meet requirements pursuant to Gov. Code Section 65583(c)(1), and other rezoning efforts to comply with Housing Element requirements, including Gov. Code Section 65583.2(c) (AB 1397, Statutes of 2018);
10. Upzoning or other implementation measures to intensify land use patterns in strategic locations, such as close proximity to transit, jobs or other amenities;
11. Rezoning for multifamily housing in high resource areas (according to Tax Credit Allocation Committee/Housing Community Development Opportunity Area Maps);
12. Establishing pre-approved architectural and site plans;
13. Preparing and adopting Housing Elements of the General Plan that include an implementation component to facilitate compliance with the sixth cycle RHNA;
14. Adopting planning documents to coordinate with suballocations under Regional Early Action Planning Grants (REAP) pursuant to Health and Safety Code Section 50515.02(f) that accommodate the development of housing and infrastructure, and accelerate housing production in a way that aligns with state planning priorities, housing, transportation equity and climate goals, including hazard mitigation or climate adaptation;
15. Zoning for by-right supportive housing, pursuant to Gov. Code section 65651 (Chapter 753, Statutes of 2018);
16. Zoning incentives for housing for persons with special needs, including persons with developmental disabilities;
17. Planning documents related to carrying out a local or regional housing trust fund;
18. Environmental hazard assessments; data collection on permit tracking; feasibility studies, site analysis, or other background studies that are ancillary (e.g., less than 15 percent of the total grant amount) and part of a proposed activity with a nexus to accelerating housing production; and
19. Other planning documents or process improvements that demonstrate an increase in housing related planning activities and facilitate accelerating housing production; and
20. Establishing Prohousing Policies, as follows:

Prohousing Policies

The Department encourages applicants to consider LEAP funds to facilitate designation as a Prohousing jurisdiction.

The 2019-20 Budget Act requires the Department to develop the Prohousing designation emergency regulations by no later than July 1, 2021. This program will allow the Department to designate jurisdictions as “Prohousing,” when they demonstrate policies and strategies to accelerate housing production. In turn, Prohousing jurisdictions will be awarded additional points or preference in programs such as the Affordable Housing and Sustainable Communities (AHSC), Transformative Climate Communities (TCC), Infill Infrastructure Grant (IIG) programs and other state funding programs. The Department anticipates developing emergency regulations and Prohousing designations prior to July 1, 2021, and will seek to designate jurisdictions prior to future rounds of AHSC, TCC and IIG

programs.

Pursuant to Gov. Code Section 65589.9(f)(2), “Prohousing” policies mean policies that facilitate the planning, approval, or construction of housing. These policies may include, but are not limited to, the following:

- A. Planning for local financial incentives for housing, including, but not limited to, establishing a local housing trust fund;
- B. Reducing parking requirements for sites that are zoned for residential development;
- C. Adoption of zoning allowing for use by right for residential and mixed-use development;
- D. Zoning more sites for residential development or zoning sites at higher densities than is required to accommodate the minimum existing RHNA for the current Housing Element cycle;
- E. Adoption of accessory dwelling unit ordinances or other mechanisms that reduce barriers for property owners to create accessory dwelling units beyond the requirements outlined in Section 65852.2, as determined by the Department;
- F. Process improvements that reduce permit processing time;
- G. Creating of objective development standards;
- H. Studies and implementing actions that reduce development impact fees; and
- I. Establishing a Workforce Housing Opportunity Zone, as defined in Section 65620, or a housing sustainability district, as defined in Section 66200.”

VIII. Ineligible Activities

- 1. Activities unrelated to preparation and adoption of planning documents, and process improvements to accelerate housing production and facilitate compliance to implement the sixth cycle of the RHNA;
- 2. Activities that obstruct or hinder housing production, e.g., moratoriums, downzoning, planning documents with conditional use permits that significantly impact supply, cost, approval certainty and timing, planned development, or other similarly constraining processes; and
- 3. Project specific planning documents that do not have a significant impact on accelerating housing production or significant community level or re-occurring benefit beyond the project.
- 4. The Department may consider proposals that are combined with larger proposals that have a positive housing component and the net effect on accelerating housing production is significant. For example, an applicant may propose combining an open-space designation, downzoning, or anti-displacement measures with by-right upzoning that has a significant net gain in housing capacity.

IX. Eligible Uses

1. Grant funds may cover the costs of temporary staffing or consultant needs associated with eligible activities;
2. Grant funds shall be used for the costs of preparing and adopting the proposed activity;
3. A jurisdiction that receives funds under this Program may use a subcontractor. The subcontract shall provide for compliance with all the requirements of the Program. The subcontract shall not relieve the jurisdiction of its responsibilities under the Program;
4. Eligible expenditures may be incurred and expended for the project(s) subject to the terms and conditions of the Standard Agreement; and
5. Only approved and eligible costs incurred for work after the NOFA date, continued past the date of the Standard Agreement, and completed during the grant term, will be reimbursable.

X. Ineligible Uses

1. Program grant funds may not be used for administrative costs of persons employed by the grantee for activities not directly related to the preparation and adoption of the proposed activity;
2. No more than 5 percent of the grant amount may be used for administrative costs for any proposed use, to be approved by the Department upon disbursement; and
3. Approved and eligible costs incurred prior to the NOFA date are ineligible.

XI. Application Requirements

Until July 1, 2020, a jurisdiction may request an allocation of funds pursuant to this section by submitting a complete application to the Department that demonstrates:

1. A budget, including timelines, deliverables, sub-steps and adoption, that demonstrates funds will be utilized for eligible activities and uses;
2. How proposed activities will increase housing planning and facilitate accelerating local housing production;
3. Completed or proposed activities consistent with the state or other planning priorities; and
4. All other required information contained in the Department's application

Applicants will demonstrate consistency with these requirements utilizing the forms and manner prescribed in the Department application.

Accelerating Housing Production: Applicants must propose and document plans or processes that increase housing planning and facilitate accelerating local housing production. The application must demonstrate a significant positive effect on accelerating housing production through timing, cost, approval certainty, entitlement streamlining, feasibility, infrastructure capacity, or impact on housing

supply and affordability. An application must include an explanation and documentation of the nexus to accelerating housing production based on a reasonable and verifiable methodology and must utilize the Department's form (see the Department's application). A verifiable methodology may include a statement of support from a non-profit or for-profit developer that is active in the locality.

State and Other Planning Priorities: Consistency with state or other planning priorities may be demonstrated through proposed activities in the application **OR** activities that were completed within the last five years. Applicants must self-certify utilizing the Department's form (see Department's application).

XII. Application Submission Requirements

In order to be eligible for grant funding, an applicant must submit a completed, signed original application and an electronic copy on CD or USB flash drive. Applications will be accepted on an OTC basis as of the date of this NOFA through July 1, 2020. The Department encourages early applications and will accept applications post-marked by the July 1, 2020 deadline. Applicants may utilize various carrier services, such as the U.S. Postal Service, UPS, FedEx, or other carrier services. All applications must be submitted to the Department at the following address:

**California Department of Housing and Community Development
Division of Housing Policy Development
2020 West El Camino Ave, Suite 500
Sacramento, CA 95833**

Applications must be on Department forms and cannot be altered or modified by the applicant. Program applications and forms are available on the Department's website located at <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>.

XIII. Application Review

1. The Program will not utilize a competitive process to award funds.
2. Funds will be available to eligible applicants on a rolling OTC basis that begins as of the date of this NOFA and ends July 1, 2020.
3. An application form will be available upon release of the NOFA and will include forms to demonstrate meeting eligibility requirements such as, among other forms, a resolution, a proposed budget and timeline table and self-certified attachments demonstrating a nexus to housing production and consistency with state planning and other priorities;
4. Applications will first be reviewed for, among other things, completeness, eligibility requirements, and accuracy;
5. In order to be considered complete, an application must contain requested

- information and supporting documentation where appropriate;
6. All applications must meet the eligibility requirements as specified in this NOFA;
 7. If the application is ineligible, it will not be considered for funding, but may be amended and resubmitted;
 8. The Department may request additional information to complete and approve the application for funding;
 9. Applications recommended for funding are subject to conditions specified by the Department;
 10. Applications will be reviewed within 30 days from the date the Department receives the application; and
 11. All applicants not meeting the eligibility requirements will be informed within 30 days from the date the Department receives the application.

XIV. Award Letter and Standard Agreement

Successful applicants will receive an Award Letter from the Department and will be awarded funds. Applicants will enter into a state Standard Agreement (Standard Agreement) for distribution of funds. The Standard Agreement process will specify, among other things, the amount of funds granted, timeline for expenditure of funds, and the approved use of funds. Expenditure report dates and other requirements will also be identified in the Standard Agreement.

XV. Appeals

1. Basis of Appeals:
 - A. Upon receipt of the Department's notice deeming an application incomplete or ineligible, applicants under this NOFA may appeal such decision(s) to the Department Director.
 - B. The decision of the Director is final and not subject to further administrative or judicial review.
 - C. No applicant shall have the right to appeal a decision of the Department relating to another applicant's eligibility, award, denial of award, or any other related matter.
2. Appeals Process and Deadlines:
 - A. Process. In order to lodge an appeal, applicants must submit to the Director by the deadline set forth in subsection (b) below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. No new or additional information will be accepted. Once the written appeal is submitted to the Director, no further information or materials is required to be accepted or considered thereafter. Appeals are to be submitted to the Director at following address:

California Department of Housing and Community Development
Division of Housing Policy Development
2020 W. El Camino Avenue, Suite 500
Sacramento, California 95833
EarlyActionPlanning@hcd.ca.gov

The Director will accept appeals delivered through a carrier service such as the U.S. Postal Service, UPS, Fed-Ex, or other carrier services that provide date stamp verification of delivery. Deliveries must be received during the Department's weekday (non-state holiday) business hours of 9:00 a.m. to 5:00 p.m. Pacific Standard Time. Additionally, emails to the email address listed above will be accepted if the email time stamp is prior to the appeal deadline.

B. Filing Deadline. Appeals must be received by the Director no later than (5) five business days from the date of the Department's determination.

3. Decision:

Any request to amend the Department's decision shall be reviewed for compliance with this NOFA and its application. The Director shall render his/her decision in writing within fifteen (15) business days of receipt of the applicant's written appeal. The decision of the Director shall be the Department's final decision, and shall not be appealable to any court or tribunal.

XVI. Administration

1. Grant Execution and Term

- A. The Department will notify the grantee if they have been selected for a grant award;
- B. After the Standard Agreement has been drawn, the grantee will be provided instructions for signing all required documents. The grantee must submit all supporting materials and a signed Standard Agreement within the timeline provided in the instructions, or risk forfeiting the grant award;
- C. The grant term begins on the day the Department and the grantee have fully executed the Standard Agreement. The Department will notify the grantee and partners when work may proceed under the agreement. However, eligible activities that are approved by the Department may be retroactively reimbursed to the date of the NOFA; and
- D. The end of the grant term will be determined by the state based on the availability of grant funds and the administrative requirements for liquidation.

2. Payment and Accounting of Grant Funds

- A. Grant funds cannot be disbursed until the Standard Agreement has been fully executed;
- B. The grantee will be responsible for compiling and submitting all invoices and reporting documents. Grantees will submit for reimbursements to the Department based on actual cost incurred;
- C. The grantee must bill the state based on clear deliverables outlined in the Standard Agreement or budget timeline. Only approved and eligible costs incurred for work after the NOFA date, continued past the date of the Standard Agreement, and completed and processed prior to the expenditure deadline, will be reimbursable. Approved and eligible costs incurred prior to the NOFA date are ineligible;
- D. Work must be completed prior to requesting reimbursement;
- E. Grant fund payment will be made on a reimbursement basis; advance payments are not allowed. The grantee and partners must have adequate cash flow to pay all grant-related expenses prior to requesting reimbursement from the Department. Project invoices will be submitted to the Department by the grantee on a quarterly basis;
- F. In unusual circumstances, the Department may consider alternative arrangements to reimbursement and payment methods based on documentation demonstrating cost burdens, including the inability to pay for work;
- G. Supporting documentation may include, but is not limited to: receipts, progress payments, subcontractor invoices, time cards, etc.;
- H. Invoices must be accompanied by reporting materials where appropriate. Invoices without the appropriate reporting materials will not be paid. The Department may withhold 10 percent of the grant until grant terms have been fulfilled; and
- I. Each recipient of funds under the Program shall expend those funds no later than December 31, 2023.

3. Accounting Records and Audits

- A. The grantee must establish a separate ledger account for receipts and expenditures of grant funds and maintain expenditure details in accordance with the budget and timeline. Separate bank accounts are not required;
- B. The grantee shall maintain documentation of its normal procurement policy and competitive bid process (including the use of sole source purchasing), and financial records of expenditures incurred during the course of the project, in accordance with generally accepted accounting principles;
- C. The grantee agrees that the state or designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of the Standard Agreement;
- D. The grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated;
- E. Subcontractors employed by the grantee and paid with moneys under the

terms of this Standard Agreement shall be responsible for maintaining accounting records as specified above;

- F. At any time during the term of the Standard Agreement, the Department may perform, or cause to be performed, a financial audit of any and all phases of the award. At the Department's request, the awardee shall provide, at its own expense, a financial audit prepared by a certified public accountant. The State of California has the right to review project documents and conduct audits during project implementation and over the project life;
- G. The Department may request additional information, as needed, to meet other applicable audit requirements; and
- H. The Department may monitor expenditures and activities of an applicant, as the Department deems necessary, to ensure compliance with Program requirements.

4. Remedies of Nonperformance

- A. In the event that it is determined, at the sole discretion of the state, that the grantee is not meeting the terms and conditions of the Standard Agreement, immediately upon receiving a written notice from the Department to stop work, the grantee shall cease all work under the Standard Agreement. The Department has the sole discretion to determine that the grantee meets the terms and conditions after a stop work order, and to deliver a written notice to the grantee to resume work under the Standard Agreement;
- B. Both the grantee and the Department have the right to terminate the Standard Agreement at any time upon 30 days written notice. The notice shall specify the reason for early termination and may permit the grantee or the Department to rectify any deficiency(ies) prior to the early termination date. The grantee will submit any requested documents to the Department within 30 days of the early termination notice; and
- C. There must be a strong implementation component for the funded activity through this Program, including, where appropriate, agreement by the locality to formally adopt the completed planning document. Localities that do not formally adopt the funded activity could be subject to repayment of the grant.
- D. The Department may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with Program requirements (Health and Safety Code section 50515.04(e)).

5. Reporting

- A. At any time during the term of the Standard Agreement, the Department may request a performance report that demonstrates satisfaction of all requirements identified in the Standard Agreement with emphasis on eligible activities, eligible uses, ineligible uses, and expenditures, according to timelines and budgets referenced in the Standard Agreement;
- B. Awardees shall submit a report, in the form and manner prescribed by

the Department, to be made publicly available on its internet website, by April 1 of the year following the receipt of those funds, and annually thereafter until those funds are expended, that contains the following information:

- The status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction; and
 - A summary of building permits, certificates of occupancy, or other completed entitlements issued by entities within the region, or by the jurisdiction, as applicable.
- C. The awardee must, in lieu of a separate report, provide the above described information as part of its annual report pursuant to Gov. Code Section 65400;
- D. The Department may request additional information, as needed, to meet other applicable reporting requirements;
- E. Upon completion of all deliverables within the Standard Agreement, the awardee shall submit a close out report. See Attachment 1; and
- F. The Department shall maintain records of the following and provide that information publicly on its internet website:
- The name of each applicant for Program funds and the status of that entity's application;
 - The number of applications for Program funding received by the Department; and
 - The information described in 5(B) above for each recipient of Program funds.

XVII. Right to Modify or Suspend the NOFA, and Final Decision-making

The Department reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including, without limitation, the amount of funds available hereunder. If such an action occurs, the Department will notify all interested parties and will post the revisions to the Department's website. You may subscribe to the Department's email list here: http://www.hcd.ca.gov/HCD_SSI/subscribe-form.html.

Further, the Department's decision to approve or deny an application or request for funding pursuant to the Program, and its determination of the amount of funding to be provided, shall be final.

XVIII. Definitions

All terms not defined below shall, unless their context suggests otherwise, be interpreted in accordance with the meanings of terms described in Health and Safety Code section 50470.

- A. “Accelerating Housing Production” means improving the timing, cost, feasibility, approval and amount of development through various mechanisms such as zoning incentives (e.g., increased density and heights, reduced parking requirements), upzoning, zoning amendments to permit residential in non-residential zones, corridor planning, development standards modifications, non-discretionary review, financing strategies, sliding scale fee modifications, facilitating adequate infrastructure to support development, approval streamlining that addresses quickness and ease of entitlements, and other mechanisms that promote production or remove or mitigate regulatory barriers.
- B. “Affordability” means a housing unit that satisfies at least one of the following criteria:
 - 1. It is available at an “affordable rent” as that term is used and defined in Section 50053 of the Health & Safety Code;
 - 2. It is offered at an “affordable housing cost”, as that term is used and defined in Section 50052.5 of the Health & Safety Code; or
 - 3. It is available at an “affordable rent” or an “affordable housing cost” according to the alternative percentages of income for agency-assisted rental and cooperative housing developments pursuant to Department regulations adopted under Health and Safety Code section 50462(f).
- C. “Annual Progress Report” (APR) means the annual report required to be submitted to the Department pursuant to paragraph (2) of subdivision (a) of Section 65400 of the Government Code.
- D. “Completed entitlement” means a housing development project that has received all the required land use approvals or entitlements necessary for the issuance of a building permit and for which no additional action, including environmental review or appeals, is required to be eligible to apply for and obtain a building permit.
- E. “Council of governments” means a single or multicounty council created by a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code that is responsible for allocating regional housing need pursuant to Sections 65584, 65584.04, and 65584.05 of the Government Code.
- F. “Department” means the California Department of Housing and Community Development.

G. "Housing" means any development that satisfies both of the following criteria:

1. At least two-thirds of the square footage of the development must be designated for residential use; and
2. Includes a house, an apartment, a mobile home or trailer, a group of rooms, or a single room that is occupied as separate living quarters, or, if vacant, is intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building, and which have a direct access from the outside of the building, or through a common hall.

Note: accessory dwelling units (ADU) and junior accessory dwelling units (JADU) pursuant to Gov. Code sections 65852.2 and 65852.22 meet the definition above.

H. "Housing Element" or "element" means the Housing Element of a community's General Plan, as required pursuant to subdivision (c) of Section 65302 of the Government Code and prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

I. "Jurisdiction" means any city, including a charter city, county, including a charter county or city and county, including a charter city and county.

J. "Local government" or "Locality" means any city, including a charter city, county, including a charter county or city and county, including a charter city and county.

K. "Objective zoning standard", "objective subdivision standard", and "objective design review standard" means standards that involve no personal or subjective judgment by a public official, and are uniformly verifiable by reference to an external and uniform benchmark or criterion available, and knowable by both the development applicant or proponent and the public official prior to submittal. "Objective design review standards" means only objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submission of a development application, which are broadly applicable to development within the jurisdiction.

L. "Other Planning Priorities" means planning, policies, programs or investments to promote housing choices and affordability to lower and moderate income households, the encouragement of conservation of the existing affordable housing stock, and efforts to take into account current and future impacts of climate change, including hazard mitigation.

M. "Regional housing need assessment" means the existing and projected need for housing for each region, as determined by the Department pursuant to Section 65584.01 of the Government Code.

- N. “State Planning Priorities” means priorities which are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including in urban, suburban, and rural communities pursuant to Gov. Code Section 65041.1.

- O. “Streamlined Housing Production” means improving the entitlement process through actions such as removing, mitigating or minimizing local regulatory requirements, reforming the local approval process to reduce processing times, the number of local discretionary approvals and permits needed for projects, improving approval certainty, establishing non-discretionary processes, modifying development standards, such as reducing parking requirements and increasing height limits, or other efforts, such as taking the fullest advantage of existing streamlining mechanisms provided in state law.

Attachment 1
Close Out Reporting Form

LEAP Grant Close Out Reporting Template

Brief Summary

- Overview of the project
- Project start date and duration
- Project goals and relevance to LEAP goals
- Quantified outcomes

Lead Agency and Partnerships

- List lead agency and partnerships (including names, titles, organizations, and roles and responsibilities of each)
- What did those collaborative relationships and processes look like?

Drivers

- Did any local, state, or federal legislation or mandates drive the project? (SB 35, AB 1397, etc.)
- Was it a community driven effort?
- Were there additional funding opportunities present?

Engagement Process

- Who were your stakeholders?
- What did the engagement process look like?
- What role did stakeholders play in the process? (Keep in mind: training, education, council formation, technical assistance, etc.)
- What were the outcomes of the engagement process?

Challenges

- What challenges were encountered?
- What solutions were encountered or created?
- Are there areas for improvement of policy alignment at the state or federal level to help achieve this project more easily?

LEAP Grant Close Out Reporting Template

Outcomes

- What are the current or projected outcomes? Benefits?
- Were outcomes as anticipated?
- Have new opportunities arisen as a result of this project?
- What are the next steps?

Replicability

- What aspects of the project could be replicated in other communities?
- Useful resources and tools? For a specific region or sector?

Additional Resources

- Links to the project itself
- Links to resources used throughout and any other relevant resources

Further Information

- Who can be reached to ask more questions about this project?
- Name
- Number and/or email