



DATE: May 1, 2023

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Christina Paul, Principal Planner
Heather Gurewitz, Associate Planner

SUBJECT: Resolution Authorizing the City Manager to Accept a Grant Award of up to \$34,000 From the Association of Bay Area Governments Regional Early Action Planning Grant Program (REAP) to the City of Petaluma

RECOMMENDATION

It is recommended that the City Council adopt a Resolution authorizing the City Manager to accept a grant award of up to \$34,000 from the Association of Bay Area Governments Regional Early Action Planning Grant Program (REAP) to the City of Petaluma.

BACKGROUND

In March 2020, the California Department of Housing and Community Development released notification of funding availability through the Regional Early Action Planning (REAP) grant program. These funds are intended to support planning that will achieve the state's housing goals and to accelerate planning that integrates climate action planning. State funding was allocated to the Association of Bay Area Governments (ABAG), which allocated the non-competitive funding to each Bay Area jurisdiction by calculating a minimum amount of \$20,000 plus an amount based on each jurisdiction's share of the Regional Housing Needs Assessment (RHNA). In the case of Petaluma, the funding allocated is expected to be \$33,577; however, this amount may be revised as determined by ABAG.

The City of Petaluma:

- submitted a Letter of Interest to ABAG in 2021.
- received notification from ABAG on July 21, 2021, that the City would receive a sub-allocation of REAP funds pending approval of a grant agreement.
- submitted a grant agreement to ABAG on September 29, 2022 which is currently under review.

In order to accept the funds, the City Manager needs to be given the authorization to sign the Grant agreement.

DISCUSSION

The City of Petaluma has actively been working on updating the City's Housing Element, which was adopted by the City Council on March 20, 2023. The funding available through REAP will be applied to the costs associated with staff time spent on the Housing Element. City staff have largely completed the work on the Housing Element and are preparing to bill ABAG for the funding. In order to do so, the City Manager needs authorization to accept the funding, which must be spent by December 31, 2023.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on April 17, 2023, which was a publicly-noticed meeting.

COUNCIL GOAL ALIGNMENT

While not explicitly on the City Council's approved list of Top 10 Citywide Goals, the Housing Element is a required part of the General Plan Update underway and is guided by specific state statute that necessitated that the Housing Element be bifurcated from the larger General Plan Update to expedite adoption. The draft Housing Element furthers many of the Council's overarching goals for the community in seeking to provide housing opportunities for all Petalumans.

ENVIRONMENTAL REVIEW

This action is associated with the development of the Housing Element, which underwent environmental review with the following findings:

The California Environmental Quality Act (CEQA) Guidelines Sections 15162 and 15164 establishes criteria to assess which level of environmental review is appropriate when a project analyzed in a previously approved CEQA Analysis (e.g., Initial Study/Negative Declaration) has changed, or the environmental setting within which the review was carried out has changed. It is up to the Lead Agency to determine whether an addendum, supplemental, or subsequent environmental document is appropriate. The lead or responsible agency may choose to prepare an Addendum rather than a supplemental or subsequent ND if the following findings can be made:

- No new significant impacts will result from the project or from new mitigation measures.
- No substantial increase in the severity of the environmental impact will occur.
- No new feasible alternatives or mitigation measures that would reduce impacts previously found not to be feasible have, in fact, been found to be feasible

Accordingly, it was determined that based on the proposed Housing Element (6th Cycle 2023-2031) relative to the previously adopted Housing Element (5th Cycle 2015-2023), changes to the approved project (Housing Element) and/or changes to the project setting will not result in

potentially significant impacts not previously identified or analyzed nor would they increase the severity of any previously identified impacts. Further, there are no previously infeasible alternatives that are now considered feasible. Finally, none of the factors set forth in 15162(a)(3) were found to exist.

As such only minor additions or changes are necessary to make the previous environmental document (Initial Study/Negative Declaration adopted for the 5th Cycle Housing Element) adequately apply to the proposed Housing Element (6th Cycle). As such, the City of Petaluma, as the Lead Agency, has determined that an Addendum to the IS/ND is the appropriate level of review and is sufficient to address any revisions or changes to the project and/or that of the environmental setting.

The conclusions of the Addendum to the adopted Initial Study/Negative Declaration (IS/ND) prepared for the Housing Element (6th Cycle) remain consistent with those findings made in the IS/ND prepared for the 2015-2023 (5th Cycle) Housing Element adopted December 1, 2014 (State Clearinghouse Number 2014012018). There is no indication that the Housing Element Update would generate new impacts or more severe impacts beyond those identified in the adopted IS/ND.

FINANCIAL IMPACTS

Acceptance of the funding will reduce costs to the City and supplement the funding committed to updating the General Plan resulting in a positive financial impact.

ALTERNATIVES

There are no benefits to rejecting the funding as the state regulations for housing elements would still apply.

ATTACHMENTS

1. Resolution