



# REPORT TO COUNCIL

## City of Sacramento

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915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

Consent  
**August 17, 2010**

**Honorable Mayor and  
Members of the City Council**

**Title: Comprehensive Zoning Code Update: Request for Council Authorization to  
Apply for Federal and State Grants**

**Location/Council District:** Citywide

**Recommendation:** Adopt 1) a **Resolution**: authorizing the City Manager to submit an application for grant funding under the State Sustainable Communities Planning Grant Program in the amount of \$3,000,000; and 2) a **Resolution**: authorizing the City Manager to submit an application for grant funding under the Federal Community Challenge Planning Grant Program to secure funding in the amount of \$1,000,000 for a comprehensive update to the City's Zoning Code.

**Contact:** Greg Sandlund, Associate Planner, (916) 808-8931; Thomas S. Pace, Principal Planner, (916) 808-6848

**Presenters:** Not applicable

**Department:** Community Development

**Division:** Planning

**Organization No:** 21001222

### **Description/Analysis**

**Issue:** The City's award-winning Sacramento 2030 General Plan is based on the Sacramento Blueprint (Blueprint), a smart growth plan developed by the Sacramento Area Council of Governments (SACOG) (Sacramento's metropolitan planning organization). The 2030 General Plan calls for the development and adoption of a "Green Development Code" that modernizes zoning, guides sustainable development decisions and implements the General Plan's (and Blueprint's) vision and policies.

Staff proposes to apply for a total of \$4 million in State (Sustainable Communities Planning Grant Program) and Federal (Community Challenge Planning Grant Program) grant funding to perform a comprehensive zoning code update that would include the following objectives:

- Implementing the policies and vision of the 2030 General Plan;
- Creating a “green code” that fosters environmentally sustainable development;
- Facilitating economic development and job creation;
- Implementing the affordable housing objectives of the Housing Element; and
- Making the zoning code easier to use, clearer, and more predictable.

**Policy Considerations:** Updating the Zoning Ordinance and other development review guidelines is a priority implementation program listed in the 2030 General Plan (page 4-2). This program has been identified as the most effective way of making Sacramento’s urban character consistent with the General Plan’s Vision and Guiding Principles.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** There are no environmental considerations associated with this report. (Not a project under Section 21065 of CEQA and CEQA Guidelines Section 15378 (b)(4)).

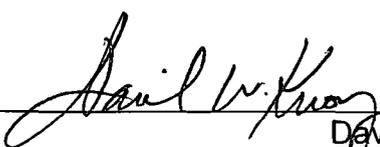
**Sustainability Considerations:** An updated zoning code will ensure that the City grows in a sustainable manner that will reduce auto dependency and greenhouse gas emissions, improve air quality and provide a greater variety of choices for people to live and work.

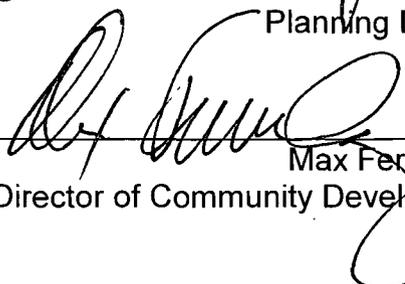
**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** A comprehensive zoning code update will require a significant amount of time and resources. The grant opportunities provided by the State and Federal government will provide the necessary funding to carry out this effort.

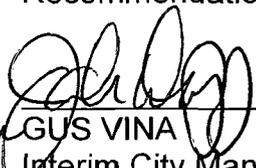
**Financial Considerations:** The Federal grant, Community Challenge Planning Grant Program, in the amount of \$3 million requires a 20% match in funding (\$600,000). The Community Development Department will commit a combination of in-kind staffing using existing staff and existing operating budgeted funds to fulfill the match requirement. No additional, unbudgeted costs to the City will result from the Federal 20% match requirement. The State grant does not require matching funds.

**Emerging Small Business Development (ESBD):** No goods or services are being purchased under this report.

Respectfully Submitted by:   
David Kwong  
Planning Director

Approved by:   
Max Fernandez  
Director of Community Development

Recommendation Approved:

  
GUS VINA  
Interim City Manager

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## **Background**

### **Federal Community Challenge Planning Grant Program**

The Department of Housing and Urban Development (HUD), in collaboration of the Department of Transportation (DOT), and the Environmental Protection Agency (EPA), has created a \$40 million Community Challenge Planning Grant Program. This program is intended to “foster reform and reduce barriers to achieving affordable, economically vital, and sustainable communities.” The maximum allowable grant is \$3 million. Eligible projects include:

- Amending or replacing local master plans, zoning codes, and building codes;
- Developing affordable housing through the development and adoption of inclusionary zoning ordinances; and
- Other activities such as acquisition of land for affordable housing projects.

On December 16, 2009, the President signed the Consolidated Appropriations Act, 2010 (Pub. L. 111–117) that provided \$40 million for HUD’s Community Challenge Planning Grants and up to \$35 million for DOT’s transportation planning grants to be awarded as part of the National Infrastructure Investments program.

### **State Sustainable Communities Planning Grant Program**

The State Strategic Growth Council (Council) is comprised of agency secretaries from the Business Transportation and Housing Agency, California Health and Human Services Agency, California EPA, the California Natural Resources Agency, the Director of the Governor's Office of Planning and Research, and a public member, appointed by the Governor. On July 2, 2010, the Council announced that \$22.3 million was available under the Sustainable Communities Planning Grant Program. Each proposal funded shall be not less than \$100,000 nor greater than \$1,000,000.

The primary goal of this grant program is to develop and implement plans that reduce greenhouse gas emissions and achieve the following objectives:

- Improve air and water quality;
- Promote public health;
- Promote equity;
- Increase housing affordability;
- Increase infill and compact development;
- Revitalize urban and community centers;
- Protect natural resources and agricultural lands;
- Reduce automobile usage and fuel consumption;
- Improve infrastructure systems;
- Promote water conservation;

- Promote energy efficiency and conservation; and
- Strengthen the economy.

The Sustainable Communities Planning Grant is funded by Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. It added Section 75065 to the Public Resources Code, authorizing the Legislature to appropriate \$90 million for planning grants and planning incentives that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits.

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE FEDERAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR FUNDING UNDER THE COMMUNITY CHALLENGE PLANNING GRANT PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE COMMUNITY CHALLENGE PLANNING GRANT PROGRAM.**

**BACKGROUND**

- A. The City of Sacramento, a municipal corporation, wishes to apply for and receive an allocation of funds through the Community Challenge Planning Grant Program.
- B. The Federal Department of Housing and Urban Development (hereinafter referred to as "HUD") has issued a Notice of Funding Availability ("NOFA") for the Community Challenge Planning Grant.
- C. The City of Sacramento wishes to submit an application to obtain from HUD an allocation of the Community Challenge Planning Grant Program funds in the amount of \$3 million in support of a comprehensive update of the Zoning Code and other development regulations.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City of Sacramento shall submit to HUD an application to participate in the Community Challenge Planning Grant Program in response to the NOFA issued on June 24, 2010, requesting a funding allocation in the amount of \$3 million for a "Green Development Code" that will include the following objectives:
  - Implement the policies and vision of the 2030 General Plan;
  - Create a "green code" that fosters environmentally sustainable development;
  - Facilitate economic development and job creation;

- Implement the affordable housing objectives of the Housing Element; and
- Make the code easier to use, clearer, and more predictable.

Section 2. If the application for funding is approved, the City of Sacramento hereby agrees to use the Community Challenge Planning Grant Program funds for eligible activities in the manner presented in the application as approved by HUD. It also may execute any and all other instruments necessary or required by HUD for participation in the Community Challenge Planning Grant Program.

Section 3. The City Council authorizes the City Manager to execute in the name of the City of Sacramento the application, the Standard Agreement, and all other documents required by HUD for participation in the Community Challenge Planning Grant Program, and any amendments thereto.

Section 4. The City Council authorizes the Community Development Department to commit a combination of in-kind staffing using existing staff and existing operating budgeted funds to fulfill the 20% match requirement contingent on the receipt of grant funding.

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE STATE STRATEGIC GROWTH COUNCIL FOR FUNDING UNDER THE SUSTAINABLE COMMUNITIES PLANNING GRANT PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE SUSTAINABLE COMMUNITIES PLANNING GRANT PROGRAM.**

**BACKGROUND**

- A. The City of Sacramento, a municipal corporation, wishes to apply for and receive an allocation of funds through the Sustainable Communities Planning Grant Program.
- B. The State Strategic Growth Council (hereinafter referred to as "SGC") has issued a Notice of Funding Availability ("NOFA") for the Sustainable Communities Planning Grant.
- C. The City of Sacramento wishes to submit an application to obtain from the SGC an allocation of the Sustainable Communities Planning Grant Program funds in the amount of \$1 million in support of a comprehensive update of the Zoning Code and other development regulations.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City of Sacramento shall submit to the SGC an application to participate in the Sustainable Communities Planning Grant Program in response to the NOFA issued on July 2, 2010 requesting a funding allocation in the amount of \$1 million to support a "Green Development Code" that will include the following objectives:
- Implement the policies and vision of the 2030 General Plan;
  - Create a "green code" that fosters environmentally sustainable development;
  - Facilitate economic development and job creation;
  - Implement the affordable housing objectives of the Housing Element; and

- Make the code easier to use, clear and predictable.

Section 2. If the application for funding is approved, the City of Sacramento hereby agrees to use the Sustainable Communities Planning Grant Program funds for eligible activities in the manner presented in the application as approved by the SGC. It also may execute any and all other instruments necessary or required by the SGC for participation in the Sustainable Communities Planning Grant Program.

Section 3. The City Council authorizes the City Manager to execute in the name of the City of Sacramento the application, the Standard Agreement, and all other documents required by the SGS for participation in the Sustainable Communities Planning Grant Program, and any amendments thereto.