



City of Santa Clara

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Agenda Report

19-1164

Agenda Date: 11/19/2019

REPORT TO COUNCIL

SUBJECT

Authorization of Application and Receipt of Grant Funds for the SB2 Planning Grants Program Year 1
Issued by the California Department of Housing and Community Development

BACKGROUND

The Community Development Department is eligible to apply to the State of California Housing and Community Development Department for a grant under the Planning Grants Program provisions of SB 2 (Chapter 364, Statutes of 2017). The Planning Grants Program is intended for the preparation, adoption, and implementation of plans that streamline housing approval and accelerate housing production. The amount of funding available to a jurisdiction depends upon its population. The City of Santa Clara is eligible to receive up to \$310,000. Eligible activities may include: updates to general plans, specific plans, or local planning related to implementation of sustainable communities' strategies; updates to zoning ordinances; and environmental analyses that eliminate the need for project-specific review.

DISCUSSION

Staff is proposing to apply for an SB2 Planning Grant to facilitate an update to the Tasman East Specific Plan, which was adopted by the City Council on November 13, 2018. The Tasman East Specific Plan provides a framework for the redevelopment of a 46-acre industrial area into a new mixed-use, high-density residential neighborhood. The adopted Specific Plan and associated Environmental Impact Report provided capacity for up to 4,500 high density transit-oriented residential units, 106,000 square feet of supportive commercial services, and 10 acres of dispersed parks, urban open spaces, and paseos.

Since the Specific Plan's adoption, the City has received 10 planning applications for a total of 3,949 units over 28 acres of the Specific Plan area. Two of the applications have been approved and eight are pending. The Specific Plan area contains an additional 13 properties totaling 12 acres in area. The average yield from the initial 10 applications is approximately 140 dwelling units per acre, a higher than anticipated density. If the remainder of the 12 acres developed at this same density it would yield approximately 1,700 dwelling units, but only 551 units remain available under the adopted Specific Plan and Environmental Impact Report. Therefore, there is an opportunity to provide additional housing within the Tasman East area on the remaining undeveloped 12 acres by adding residential development capacity to the Specific Plan. Updating the Specific Plan to provide additional housing capacity would directly align with the goals and grant application criteria of SB2 and further contribute much-needed housing supply in response to increased local employment opportunities, and State mandates such as the Regional Housing Needs Allocation (RHNA).

A Specific Plan Amendment and new California Environmental Quality Act (CEQA) review will be required to add residential capacity to the planning area. The focus of the work will be the new

environmental analysis and an analysis of infrastructure needs to support the added residential capacity.

Adoption of a resolution by the City Council is required by the California Housing and Community Development Department as part of the grant application and award process. This grant opportunity would provide \$310,000 in grant funding for the update of the Tasman East Specific Plan, including required environmental clearance. The grant funds will be used to hire a qualified environmental consultant with experience in the preparation of Environmental Impact Reports (EIR's), including infrastructure analysis.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

There is no additional cost to the City other than administrative staff time and expense for the preparation and submission of the grant application. Following the award announcement in Spring 2020 and should the City receive the grant award, staff will return to Council to recommend a Budget Amendment in order to appropriate funds.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Adopt a resolution authorizing the City Manager or designee to apply for grant funding from the California Department of Housing and Community Development (HCD) to facilitate the update of the Tasman East Specific Plan and authorizing the City Manager or designee to negotiate and execute all documents required to accept the grant funds.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Resolution