



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: APRIL 21, 2026**

FROM: HOUSING AND HUMAN SERVICES **WARDS: ALL**

SUBJECT: ADOPT A RESOLUTION AUTHORIZING THE CITY OF RIVERSIDE TO BE A PROJECT PARTNER IN THE NEIGHBORHOOD PARTNERSHIP HOUSING SERVICES, INC. APPLICATION TO THE FACTORY-BUILT HOUSING REGIONAL PILOT PROGRAM (ROUND 3) ADMINISTERED THROUGH THE STATE OF CALIFORNIA STRATEGIC GROWTH COUNCIL FOR A RIVERSIDE CITY AND COUNTY SMALL-LOT INFILL HOUSING FEASIBILITY, PRE-APPROVED PROTOTYPE, AND REGIONAL ACCELERATION INITIATIVE

ISSUE:

Adopt a resolution authorizing the City of Riverside to be a project partner in the Neighborhood Partnership Housing Services, Inc. (NPHS) application to the Factory-Built Housing Regional Pilot Program (Round 3) administered through the State of California Strategic Growth Council for a Riverside city and county small lot infill housing feasibility, pre-approved prototype, and regional acceleration initiative.

RECOMMENDATION:

That the City Council adopt the attached resolution authorizing the City Manager, or designee, to support an application being submitted by Neighborhood Partnership Housing Services, Inc. for up to \$3,000,000 over a three-year period through the California Strategic Growth Council's Factory-Built Housing Regional Pilot Program Round 3.

BACKGROUND:

In December 2019, the City was awarded \$625,000 in Senate Bill 2 (SB 2) funds to support a variety of initiatives intended to accelerate housing production, including efforts to streamline the development of accessory dwelling units (ADUs). The City subsequently awarded a contract to Design Path Studio (DPS) for the preparation of standardized ADU construction plans.

In 2024, the permit-ready ADU plans were approved and made available for public use. A total of four ADU plan types were developed, each offered in three architectural styles. The plan types include one one-bedroom unit, two two-bedroom units, and one three-bedroom unit. Available architectural styles include Craftsman, Spanish, and Ranch. In total, 12 permit-ready plan combinations are available.

In addition to the permit-ready plans, the City launched the Dwell Riverside program, an initiative designed to expedite the approval process for ADUs constructed using these pre-approved plans.

Dwell Riverside streamlines the application and submittal process for homeowners by providing a clear and efficient pathway for development. This approach reduces common issues that can delay approvals, such as incomplete applications or misinterpretation of local requirements. The program enhances the overall customer experience while supporting the City's broader objective of increasing housing supply and affordability.

DISCUSSION:

In February 2026, the California Strategic Growth Council (SGC) released a Notice of Funding Availability (NOFA) for Round 3 of the Factory-Built Housing Regional Pilot Program. The program offers planning grants of up to \$3,000,000 over a three-year period, with applications due by May 5, 2026. Applicants are required to demonstrate participation from regional partners, including local governments, committed to advancing policies and planning efforts that expand opportunities for factory-built housing.

Neighborhood Partnership Housing Services, Inc. (NPHS) recently contacted Housing and Human Services staff regarding a potential collaboration on the SCG Factory-Built Housing Regional Pilot Program Round 3 grant. NPHS is a nonprofit community development organization that has serving the Inland Empire since 1991. Over the past 35 years, it has grown from a small grassroots organization in the City of Montclair into a multifaceted organization serving Riverside, San Bernardino, and eastern Los Angeles counties.

NPHS has supported local revitalization and affordable housing efforts throughout the region, including initiatives to scale the production of factory-built housing to replace substandard units and accelerate the construction of new homes at lower costs.

Staff is seeking City Council authorization to support an application submitted by NPHS for up to \$3,000,000 in planning grant funds. The proposed project would focus on small-lot infill housing feasibility in the City and County of Riverside, development of pre-approved factory-built housing prototypes, and a broader regional acceleration initiative.

These efforts align with existing City initiatives to streamline housing approvals and reduce construction costs, including the City's permit-ready ADU program and Dwell Riverside.

If the grant is awarded, NPHS and the City will need to enter into a Memorandum of Understanding (MOU) outlining roles and responsibilities. The MOU would include provisions to support zoning and policy development related to factory-built housing, create pre-approved prototype plans for use within the City of Riverside, and facilitate collaboration with local and regional partners. Grant funds would be administered by NPHS and distributed among participating partners, which currently include County of Riverside and the UC Riverside School of Public Policy.

The proposed MOU will be presented to the City Council for consideration and approval within 60 days of the award announcement. Execution of the MOU is not required as part of the grant application.

FISCAL IMPACT:

There is no fiscal impact related to this staff report. The City will not be responsible for administering the grant and any use of funds will be outlined in the MOU that will be brought to Council at a later date.

Prepared by: Agripina Neubauer, Housing Project Manager
Approved by: Michelle Davis, Housing and Human Services Director
Certified as to
availability of funds: Julie Nemes, Interim Finance Director
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Rebecca McKee-Reibold, Interim City Attorney

Attachment: Resolution