Agenda Date: <u>08/11/2015</u> Agenda Item: 7.2

orwarded to City Council:

Bryan H. Montgomery, City Manager



STAFF REPORT

Date:

Tuesday, August 11, 2015

To:

Bryan H. Montgomery, City Manager

From:

Joshua McMurray, Planning Manager

Subject:

Affordable Housing Overlay Work Session

Summary

The City Council adopted the 2015-2023 Housing Element at the January 27, 2015 City Council meeting. During that meeting, and through several work sessions, meetings with the public and the Housing Element Update Citizen Advisory Committee (CAC), the Housing Element was adopted with Policy Action Program 1.1, which specifically requires the City to apply the Affordable Housing Overlay Zone (AHO) on seven parcels as described more fully in the table below. The intent of applying the AHO is to allow property owners to build at either the default densities allowed by the underlying zone or build a qualifying affordable project at the AHO base density of 24 dwelling units per acre (which allows up to 32.4 dwelling units per acre after a State mandated density bonus is applied).

	APN	Acreage	Existing Condition	Zoning	Realistic Net Units - Existing Zoning*	Realistic Capacity - AHO
1	033012004	A.				2
	E. Cypress Rd	3.46	Undeveloped	M-12	33	90
2	033012005		3. 3.			
	211 E. Cypress Rd	2.39	One single family home	M-12	21	61
3	033012007					
	67 Van Pelt Lane	2.40	One single family home	M-12	22	61
4	033180007					
	6381 Sellers Ave	1.98	Two single family homes	M-9	11	48
5	033012009	1.11	One single family home	M-12	11	28
	43 Van Pelt Ln					
6	033012008					
	251 E. Cypress Rd	1.12	One single family home	M-12	11	28
7	034030007		, in the second			
	1961 Carpenter Rd	3.66	One single family home	С	0	94
	TOTAL	16.12	_	120	109	410

^{*}Realistic net unit capacity under the existing zoning is based on the site developing at 80% of the maximum density less existing units on the site.

^{**}Minimum net capacity is based on the 80% of the maximum density allowed for the AHO.

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During the January City Council meeting, Staff was directed to find a replacement site for the 1961 Carpenter Road property (Identified as Site #7 in the table above). The process to apply the AHO on the properties will be handled through a separate, public process also requiring a City Council action. During this separate process, there is an opportunity to reevaluate the sites listed in the Housing Element. This work session is first step in the process.

Staff has had some preliminary discussion with residents concerned about the location of Site #7 and in that process has developed a list of potential replacement sites for the City Council to consider. It should be noted that Staff has not noticed any of the property owners or property owners within 300 feet of the properties to be discussed because we wanted to ensure we receive proper direction before mobbing forward with the project. With that said, there are several properties that Staff believes are adequate to propose to HCD as a replacement site for Site #7. The attachment to this report explains the various replacement sites.

It should also be noted that Staff has had discussions with a developer interested in developing Site #1. A recent meeting suggested that a Preliminary General Plan Amendment application will be submitted for this property. The developer does not have any intention of building a residential, multi-family project as the current land use designation and zoning would allow. In anticipation of the application being received within the next few weeks, Staff would also like to have the City Council provide direction on a replacement site for Site #1.

The attached exhibit represents 6 parcels that are between 1 and 1.5-acres in size. Two of those parcels have been previously presented to the Council and those property addresses are 30 Monte Linda and 5900 Main Street. The exhibit also represents two larger parcels (one being a grouping of five parcels) that total 14.65 and 21.66-acres respectively.

To recap the City needs to find two replacement sites totaling 7.12-acres. Discussion points to keep in mind about choosing a replacement site:

- The site(s) should be at least an acre in size.
- The AHO can be applied within the Downtown Specific Plan (DSP), but we would need to revise the DSP to ensure that the AHO does not conflict with the DSP and that the DSP provisions won't constrain multifamily development allowed by the AHO. (Staff does not recommend this as an option as we will have to amend the DSP to allow for multi-family construction as a "by-right" permitted use where they are currently conditionally permitted with the approval of a Conditional Use Permit.)
- The sites to accommodate the very low/low RHNA cannot include more than 50% of the total acreage of sites that allow for mixed or non-residential use (i.e. Commercial zoning).

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 The City can rezone a portion of a site, but we need to ensure it is accessible and not a portion with constraints that are not present on the rest of the site.

Recommendation

Staff recommends the City Council review the information provided, through the Staff Report and Power Point presentation and provide Staff with direction on the replacement sites for Policy Action Program 1.1 of the 2015-2023 Housing Element.

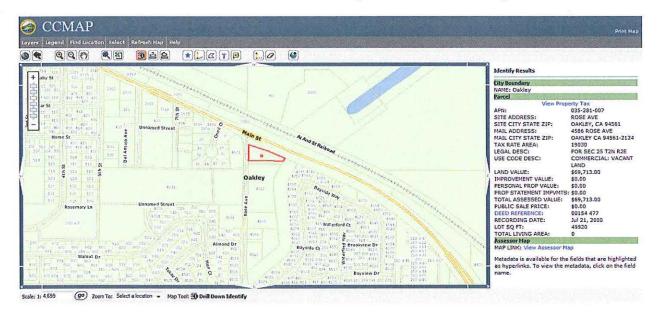
One option that could be viable is looking at the two parcels labeled as C and D which would total 2.8-acres and then use a 4.4-acre portion of parcel G on the attachment. That would bring the total to 7.2-acres.

Attachments

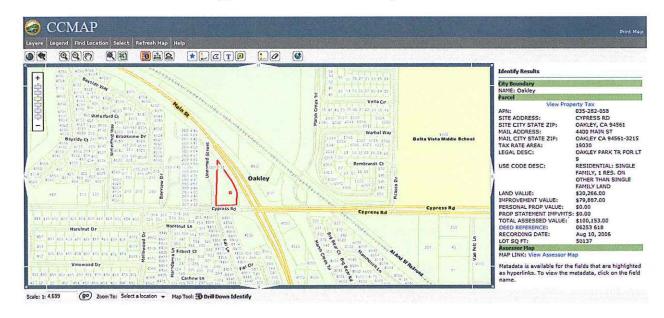
1. AHO Potential Site's Exhibit

A combination of parcels that equate to approximately 7.12 acres as follows:

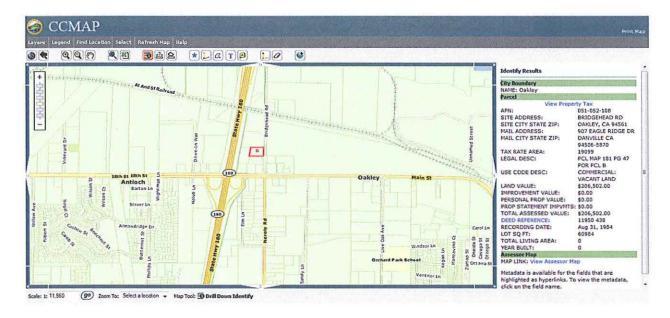
A - SE corner of Main and Rose (1.15-acres currently zoned Downtown Specific Plan SP-4)



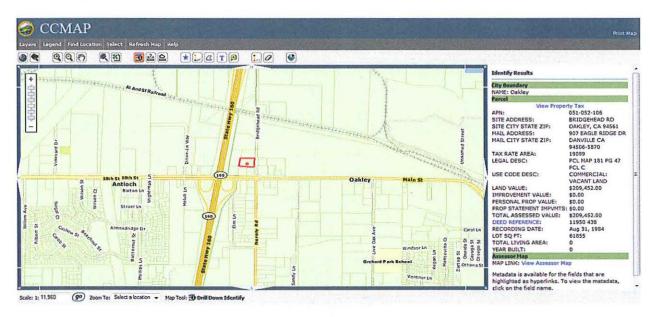
B - NW corner of Main and Cypress (1.15-acres currently zoned General Commercial)



C - Parcel in front of Comfort Suites on Bridgehead Road (1.4-acres currently zoned General Commercial)



D - Parcel in front of Comfort Suites on Bridgehead Road (1.4-acres currently zoned General Commercial)



E - 30 Monte Linda (1.08-acres zoned General Commercial)



F - 5900 Main Street (1.07-acres zoned General Commercial)



G - A portion of this 14.65-acre parcel located towards the SE corner of Main Street and Neroly Road (currently zoned General Commercial)



H - A portion of these 5 parcels totaling 21.66-acres located towards along Main Street , to the west of the Raley's shopping center and directly north of the existing CBH affordable housing campus (currently zoned General Commercial)

