

COUNTY OF PLACER Community Development Resource Agency

Michael J. Johnson, AICP Agency Director

PLANNING

MEMORANDUM

TQ:

Honorable Board of Supervisors

FROM:

Michael J. Johnson, Director

Planning Department, Community Development Resource Agency

DATE:

July 21, 2009

SUBJECT:

Zoning Text Amendment - Residential Density Bonuses (ZTA t20090178)

ACTION REQUESTED

The Planning Department is requesting that the Board of Supervisors amend Section 17.54.120 (c) (Residential Density Bonuses) of the Placer County Zoning Ordinance in order to allow projects within the Lake Tahoe Basin Redevelopment Area to request a residential density bonus increase beyond the cumulative total of 50 percent up to a total of 100 percent.

CEQA COMPLIANCE

The adoption and implementation of this ordinance is exempt from the provisions of the California Environmental Quality Act Guidelines per Section 15061(b)(3) of the Guidelines. A recommended finding has been included for this purpose.

PUBLIC NOTICES AND REFERRAL FOR COMMENTS

Because amendments to the Zoning Ordinance affect more than 1,000 people, in lieu of mailed notice, an 1/8th page public hearing notice was published in the Auburn Journal, Sierra Sun and the Roseville-Press Tribune newspapers. All Municipal Advisory Councils (MACs), including the North Tahoe Regional Advisory Council, received notice of the proposed draft ordinance and were transmitted copies of this staff report prior to this meeting. In addition the stakeholders identified through the workshops and public hearings held for the Housing Element update were e-mailed notices.

BACKGROUND

The State density bonus law was created to offer a land use-based option to facilitate the economic feasibility of affordable housing development. The Residential Density Bonus Ordinance provides incentives for the production of housing for very low, low, moderate or senior households in accordance with Section 65915 and 65917 of California Government Code. A low income household is defined as 80 percent of area median income, adjusted for family size. A very low income household is defined as 50 percent of area median income, adjusted for family size. Moderate income is defined as persons and families whose income does not exceed 120 percent of area median income, adjusted for family size. Placer median income for 2008 was 72,800 dollars.

A density bonus is the allocation of development rights that allows a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned. Density bonus regulations are complex but in summary, these regulations allow density bonuses for

providing low and very low income housing and certain types of moderate income housing. In 2006, the Placer County Zoning Ordinance was amended to implement the density bonus provisions required under State Law (SB 1818 and SB 435). These amendments addressed the minimum requirements under State Law, but the County can choose to increase density bonus provisions above State Law requirements. Under the existing ordinance, a density bonus could not exceed a cumulative total of 50 percent.

AMENDMENT SUMMARY

Proposed amendment language is provided in Exhibit 1 and below: Zoning Ordinance language additions are shown as underlined, there are no deletions.

17.54.120 Residential density bonuses and incentives.

C. Amount of Density Bonus. The amount of density bonus to which the applicant is entitled shall be as follows, provided, however, in no event may a housing development receive a density bonus under this subsection that exceeds a cumulative total of fifty (50) percent, further provided, however, for a project that is within a redevelopment area in the Lake Tahoe Basin, an applicant may request a density bonus up to a total of one hundred (100) percent, which may be allowed at the discretion of the Planning Director after taking into account the circumstances of the project and determining that the higher percentage is reasonable: [...]

DISCUSSION

Policy C-1 of the Housing Element encourages the County to work with the Tahoe Regional Planning Agency (TRPA) to: "(a) strengthen the effectiveness of the existing incentive programs for the production of affordable housing in the Lake Tahoe Region." The proposed amendment would add language to the zoning ordinance allowing projects within the Lake Tahoe Basin redevelopment area to receive, at the discretion of the Planning Director, a residential density bonus beyond the cumulative total of 50 percent. This amendment will provide projects in the Tahoe redevelopment area additional incentive to provide affordable housing and would only apply to projects within the Tahoe redevelopment area (Exhibit 2).

This proposed amendment provides advanced policy direction (i.e. incentives for affordable housing), but also requires that any density bonus above the 50 percent be reviewed by the Planning Director. Therefore, a density bonus beyond 50 percent would not be a matter of right, but discretionary, and would be reviewed on a project by project basis. The Planning Director's decision could also be appealed to the Planning Commission.

A typical density bonus calculation for a one-acre lot (43,560 square foot) in the Tahoe redevelopment area might include:

Units allowed under base zoning	15 units x 1-acre	15 units
Additional units allowed with existing	15 units x 50%	15 units +7.5 units=
50% density bonus		22.5 units
Additional units allowed with proposed 100% density bonus	15 units x 100%	15 units+ 15 units= 30 units

PLANNING COMMISSION HEARING

At its June 11, 2009 meeting, the Planning Commission considered the proposed Residential Density Bonus Zoning Text Amendment. At that meeting, the Planning Commission discussed definitions for low and very low income as well as the public notification process. In addition, five individuals provided public testimony in favor of the proposed zoning text amendment. Ultimately, the Planning Commission voted unanimously (5 to 0) to recommend approval of the proposed zoning text amendment to the Board of Supervisors.

NORTH TAHOE REGIONAL ADVISORY COUNCIL

At its June 11, 2009 meeting, the North Tahoe Regional Advisory Council considered the proposed Residential Density Bonus Zoning Text Amendment. At that meeting, the Council discussed definitions for low and very low income as well as the public notification process. In addition, there was a discussion around the need for affordable housing in the Lake Tahoe Basin, in particular the King Beach area. Ultimately, the Council voted 7 to 1 to recommend approval of the proposed zoning text amendment to the Board of Supervisors. Council member Wotel voted against the proposal because the revisions to the density bonus ordinance was not proposed to be County-wide, but limited to the North Tahoe Redevelopment Area and there were no provisions for equitable distribution of affordable units.

RECOMMENDATION

The Planning Department recommends the Board of Supervisors approval of the Zoning Text Amendment relating to residential density bonuses, as set forth in Exhibit 1, subject to the following findings:

FINDINGS

CEQA

The adoption and implementation of this ordinance is exempt from the provisions of the California Environmental Quality Act (Section 15061(b)(3)) in that there is no possibility that the implementation of this ordinance may have significant effects on the environment.

Zoning Text Amendment

The proposed zoning text amendment related to density bonuses within the Lake Tahoe Region are consistent with Placer County General Plan and implements the following General Plan Policy:

Policy C-1: The County shall encourage the Tahoe Regional Planning Agency (TRPA) to: (a) strengthen the effectiveness of existing incentive programs for the production of affordable housing in the Lake Tahoe Region and (b) change its regulations to permit second residential units.

Respectfully submitted,

MICHAEL J. JOHNSON, AICP

Community Development and Resource Agency Director

The following attachments are included for the Board's consideration:

ATTA@HMENTS

Exhibit 1: Ordinance Amending Section 17.54.120 of Placer County Code

Exhibit 2: Map - Lake Tahoe Basin Redevelopment Area

cc: Holly Heinzen - County Executive Office

Scott Finley- County Counsel Karin Schwab – County Counsel

James Lobue - Redevelopment Agency Loren Clark - Deputy Planning Director

Paul Thompson - Deputy Planning Director

Steve Buelna - Planning Department

Allen Breuch – Planning Department
Gina Langford – Environmental Coord

Gina Langford – Environmental Coordinator

Richard Eiri - Engineering and Surveying Division

Jill Pahl - Environmental Health Services

Bob Martino - Chief Building Official

Bob Eicholtz - Emergency Services

Before the Board of Supervisors County of Placer, State of California

Ordinance No
DE
Board of Supervisors
on, 2009,
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<u> </u>
F. C. Rockholm, Chair
Board of Supervisors
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The Board of Supervisors of the County of Placer, State of California, does hereby ordain as follows:

<u>Section 1:</u> Subsection C of Section 17.54.120 of Article 17.54 of Chapter 17 of the Placer County Code is hereby amended to read as follows:

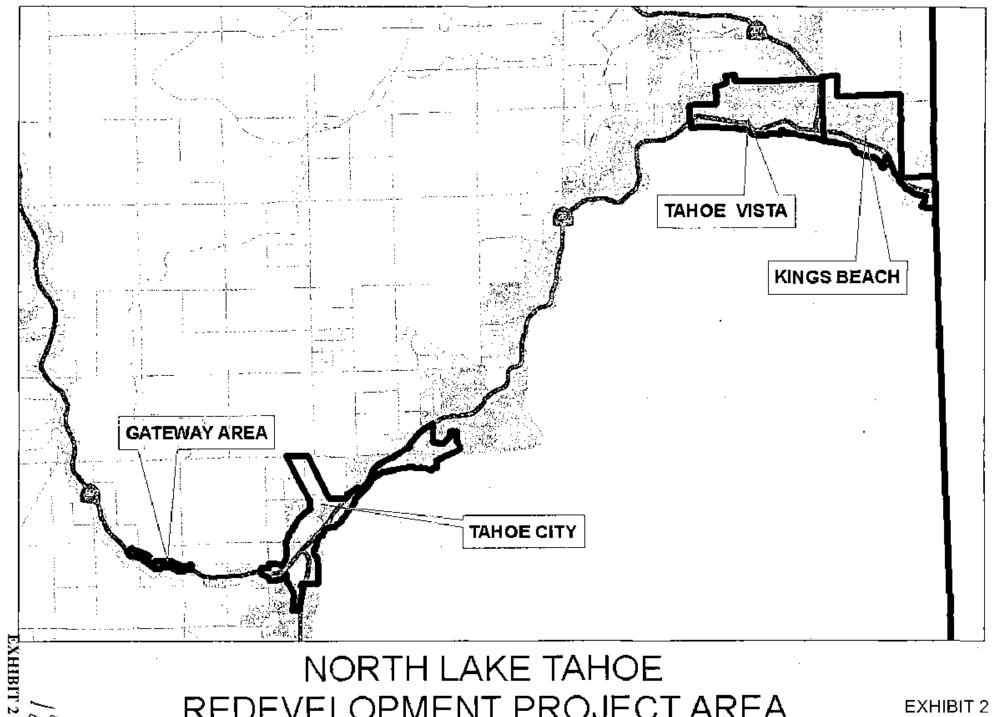
17.54.120 Residential density bonuses and incentives.

- C. Amount of Density Bonus. The amount of density bonus to which the applicant is entitled shall be as follows, provided, however, in no event may a housing development receive a density bonus under this subsection that exceeds a cumulative total of fifty (50) percent, further provided, however, for a project that is within a redevelopment area in the Lake Tahoe Basin, an applicant may request a density bonus up to a total of one hundred (100) percent which may be allowed at the discretion of the Planning Director after taking into account the circumstances of the project and determining that the higher percentage is reasonable:
- 1. For a housing development in which at least ten (10) percent of the total units are for lower income households, as defined in Section 50079.5 of the Health and Safety

Code, a density bonus of at least twenty (20) percent shall be allowed, unless the applicant elects a lesser percentage. For each one percent increase above the ten (10) percent in the percentage of units affordable to lower income households, the density bonus shall be increased by one and one-half percent up to a maximum of thirty-five (35) percent.

- 2. For a housing development in which at least five percent of the total units are for very low income households, as defined in Section 50105 of the Health and Safety Code, a density bonus of at least twenty (20) percent shall be allowed, unless the applicant elects a lesser percentage. For each one percent increase above the five percent in the percentage of units affordable to very low income households, the density bonus shall be increased by two and one-half percent up to a maximum of thirty-five (35) percent.
- 3. For a condominium project as defined in subsection (f) of Section 1351 of the Civil Code in which at least ten (10) percent of the total dwelling units are for persons and families of moderate income, as defined in Section 50093 of the Health and Safety Code, a density bonus of at least five percent shall be allowed, unless a lesser percentage is elected by the applicant. For each one percent increase above the ten (10) percent in the percentage of units affordable to moderate income households, the density bonus shall be increased by one percent up to a maximum of thirty-five (35) percent.
- 4. For a planned development as defined in subsection (k) of Section 1351 of the Civil Code in which at least ten (10) percent of the total dwelling units are for persons and families of moderate income, as defined in Section 50093 of the Health and Safety Code, a density bonus of at least five percent shall be allowed, unless a lesser percentage is elected by the applicant. For each one percent increase above the ten (10) percent in the percentage of units affordable to moderate income households, the density bonus shall be increased by one percent up to a maximum of thirty-five (35) percent.
- 5. All density calculations resulting in fractional units shall be rounded up to the next whole number. The density bonus shall not be included when determining the number of housing units that is equal to five or ten (10) percent of the total.
- 6. The granting of a density bonus under this section shall not, in and of itself, require an additional application for and granting of a general plan amendment, zoning change or other separate discretionary entitlement.

<u>Section 2:</u> The foregoing specified ordinance amendment shall become effective thirty (30) days after the date of passage of this ordinance. The Clerk is directed to publish the ordinance or a summary of the ordinance within fifteen (15) days in accordance with Government Code Section 25124.



NORTH LAKE TAHOE REDEVELOPMENT PROJECT AREA