

COMMUNITY DEVELOPMENT SERVICES

PLANNING AND BUILDING DEPARTMENT

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TO:	Planning Commission	Agenda of:	May 10, 2018
FROM:	Efren Sanchez, Assistant Planner	Item No.:	5
DATE:	May 9, 2018		
RE:	Z17-0001/PD17-0001/TM17-1531/Cameron Ranch; New Housing Element Findings and Conditions of Approval		

The Cameron Ranch Tentative Map, Rezone, and Planned Development (Z17-0001/PD17-0001/TM17-1531) ("Project") was continued at a duly noticed public hearing on April 26, 2018 to the certain date of May 10, 2018 Planning Commission Meeting. The continuance was requested by the applicant to give Planning Staff adequate time to review and respond to the public comments received (see separate memo). The continuance has also allowed Planning Staff to further analyze the project in regards to the Housing Element of the General Plan.

Planning Staff requests the Planning Commission adopt the following findings and add the requested Conditions of Approval.

Conditions of Approval:

- 63. Should the applicant wish to request waivers or other concessions based upon providing moderate "affordable housing," applicant may provide a written affordable housing plan to include, but not be limited to, the number of units, bedroom composition, and sales price targets for moderate-income households, and work with the County's Housing Community and Economic Development Programs. A copy of the affordable housing plan shall be submitted to the Planning and Building Department prior to final occupancy of the first unit.
- 64. Provide an affordable housing plan to include, but not be limited to, noticing requirements to current tenants, relocation financing arrangements, comparable replacement housing policy and a two-year monitoring program for displaced residents in accordance with California Government Code Sections 7260-7277 Relocation Assistance.

Findings:

2.31 The project is consistent with General Plan Policy HO-1.5.

Policy H-O1.5: *The County shall direct higher density residential development to Community Regions and Rural Centers.*

Rationale: The project site has a Multi-Family Residential (MFR) General Plan Designation. The MFR land use designation permits a density range of 5 dwelling units to 24 dwelling units per acre. The project site is 5.6 acres. The proposed project would be at a density of 7.32 units per acre, which meets the prescribed gross density for the Multi-Family Land Use Designation of the General Plan. The development is also within the Community Region of Cameron Park.

According to a memo from County's Housing, Community and Economic Development Program (HCED) dated August 2, 2017 (see Exhibit A, attached), in response to a request for project review comments, "The location of the proposed Z17-0001, PD17-0001, TM17-1531 - CAMERON RANCH has been identified by its General Plan Land Use designation as a prime area to include affordable multi-family residential work-force housing. The proposed project site is within close proximity to amenities such as schools, transportation, employment, medical, recreation, and retail services. Therefore, it is recommended that the project's final conditions of approval require at least 10% of the units to be developed as affordable to moderate and/or low income households."

2.32 The project is consistent with General Plan Policies HO-1.6 and HO-1.18

Policy 1.6: The County will encourage new or substantially rehabilitated discretionary residential development to provide for housing that is affordable to very low-, low- and moderate-income households.

Policy 1.18: The County shall develop incentive programs and partnerships to encourage private development of affordable housing.

Rationale: A Memo from Housing, Community and Economic Development Programs (HCED) dated August 2, 2017 (Exhibit A) outlines the benefits the applicant could receive if 10 percent of the new single-family residential units were made affordable to moderate and/or low income households. The memo further states that if 20 percent of the units are set aside as affordable, the project may be eligible for TIM Fee Offsets under Board Policy B-14 (TIM Fee Offset for Development with Affordable Housing) as well as priority fast-track processing of the discretionary project. The offer to restrict some of the units as affordable was not accepted by the applicant. The County's affordable housing program is not mandatory.

The project developer has expressed intentions to offer the for-sale units a SALES price affordable to moderate income households. The applicants are requesting Design Waivers to accommodate a new moderately priced subdivision as a partnership effort. HCED recommends that conditions for project approval should require the applicant:

to provide a written affordable housing plan to include, but not be limited to, the number of units, bedroom composition, and sales price targets for moderateincome households, and work with the County's Housing Community and Economic Development Programs. A copy of the affordable housing plan shall be submitted to the Planning and Building Department prior to final occupancy of the first unit (See Condition 63).

The project is consistent with General Plan Policy HO-1.6 and HO-1.18 when the above mentioned condition is added to the Conditions of Approval.

2.33 The project is consistent with General Plan Policy HO-3.2

Policy HO-3.2: Demolition of existing multi-family units should be allowed only if a structure is found to be substandard and unsuitable for rehabilitation and tenants are given reasonable notice, an opportunity to purchase the property, and/or relocation assistance by the landlord.

Rationale: Parcel Number 102-110-14, 2761 Camarc Drive, contains an 8-unit multi-family complex that potentially provides housing for low to lower income households. The applicant explained that he would provide reasonable notice and help current tenants with relocation assistance. HCED recommends that conditions of approval should require:

an affordable housing plan to include, but not be limited to, noticing requirements to current tenants, relocation financing arrangements, comparable replacement housing policy and a two-year monitoring program for displaced residents in accordance with California Government Code Sections 7260-7277 – Relocation Assistance (See Condition 64).

The project is consistent with General Plan Policy HO-3.2 when the abovementioned condition is added to the Conditions of Approval.

2.34 The project is consistent with California Government Code §65863

California Government Code§65863: (a) Each city, county, or city and county shall ensure that its housing element inventory described in paragraph (3) of subdivision (a) of Section 65583 or its housing element program to make sites available pursuant to paragraph (1) of subdivision (c) of Section 65583 can accommodate, at all times throughout the planning period, its remaining unmet share of the regional housing need allocated pursuant to Section 65584, except as provided in paragraph (2) of subdivision (c). At no time, except as provided in paragraph (2) of subdivision (c), shall a city, county, or city and county by administrative, quasi-judicial, legislative, or other action permit or cause its inventory of sites identified in the housing element to be insufficient to meet its remaining unmet share of the regional housing need for lower and moderate-income households.

(b) (1) No city, county, or city and county shall, by administrative, quasi-judicial, legislative, or other action, reduce, or require or permit the reduction of, the residential density for any parcel to, or allow development of any parcel at, a lower residential density, as defined in paragraphs (1) and (2) of subdivision (g), unless the city, county, or city and county makes written findings supported by substantial evidence of both of the following:

(A) The reduction is consistent with the adopted general plan, including the housing element.

(B) The remaining sites identified in the housing element are adequate to meet the requirements of Section 65583.2 and to accommodate the jurisdiction's share of the regional housing need pursuant to Section 65584. The finding shall include a quantification of the remaining unmet need for the jurisdiction's share of the regional housing need at each income level and the remaining capacity of sites identified in the housing element to accommodate that need by income level.

Rationale: The project site consists of three parcels that have been identified in the County General Plan Housing Element as sites suitable for the development of housing for very-low to low income households. Together, these parcels consists of 5.6 acres and were attributed a reasonable capacity for the development of 62 units for very low- to low (VL/L) income households. (See General Plan Table B-3; Assessor's Parcel Numbers 102-110-24 (49 units-VL/L) , 102-110-14 (8 units-VL/L) and 102-421-01 (5 units VL/L)

Codified on January 1, 2018 as California Government Code §65863, SB 166 is known as the "No Net Loss" law. The law prohibits jurisdictions, with certain exceptions, from permitting a development at a density lower than what was specified for the site in that jurisdiction's housing element. The law does make certain exceptions. For example, in certain circumstances, if a jurisdiction has adopted a Housing Element that is in compliance with state law, it may make written findings supported by substantial evidence that the reduction in density is consistent with the adopted general plan, including the Housing Element, and that the remaining sites are adequate to accommodate the jurisdiction's share of the regional housing need. A local jurisdiction that can successfully make these findings may be able to lower residential density on certain sites, as long as there is "no net loss" of density. The law defines "lower residential density" in multiple ways, depending on the circumstances, such as whether the site has been or will be rezoned. Typically, "lower residential density" will be defined as a lower residential density than what is identified in the Housing Element.

The County's land inventory in the 2013-2021 Housing Element Update to support the Regional Housing Needs Assessment (RHNA) allocation of housing, including projects approved prior to the 2013 update and the potential development of vacant parcels and development on underutilized parcels, exceeds the net remaining RHNA in the lower income categories. In other words, the County has identified a surplus of available land inventory for development opportunities for all income categories. Approval of this project at the proposed density and affordability level should not result in a net loss of affordable housing for lower income categories, however, full analysis has not been completed for development projects between 2013-Present. The quantifiable analysis is limited to the data collected from 2013. Table HO28 (see below) indicates the west slope has a land inventory of 2,134 in the very-low/low (VL/L) category and removal of the project's 62 VL/L would result in 2,072 VL/L category. In addition, the RHNA does identify a projected surplus of 1,740 VL/L from 2013-2021.

	Income Category			
	VL/L	Mod	Above	Total
Units approved or under construction	108	2	124	234
Entitlements (lots)*		0.00	5,762	5,762
Vacant land - residential	2,338	764	10,151	13,253
- West Slope	2,134	675	6,720	9,529
- East Slope	204	89	3,431	3,724
Vacant land - commercial/mixed use	257	0.77	1976	257
Underutilized land - residential	925	148	0	1,073
Potential second units**	406	0	0	406
Subtotal	4,034	914	16,037	20,985
RHNA (net 2013-2021)	1,740	821	1,633	4,194
Surplus (Deficit)	2,294	93	14,404	16,791

Table HO28 2013 Land Inventory Summary –El Dorado County

Source: El Dorado County Community Development Agency. 7/2013

* Includes Approved Specific Plans, Tentative and Parcel maps west slope only

** Estimated 4% of Vacant land - residential, "Above"

Housing element law specifies that jurisdictions must identify adequate sites (vacant and surplus lands that are appropriate for residential development) to be made available to encourage the development of a variety of housing types for all economic segments of the population. In evaluating the residential growth potential, the County of El Dorado has reviewed vacant sites in the unincorporated areas identified for residential use, which are summarized in the vacant land survey of the Housing Element, Appendix B.

SUPPORT INFORMATION

Attachments to Staff Memo:

Exhibit A......Memo from Housing, Community and Economic Development Programs

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COMMUNITY DEVELOPMENT SERVICES LONG RANGE PLANNING

INTEROFFICE MEMORANDUM

Date:	August 2 2017
Dale.	August 2, 2017

To: Efren Sanchez Project Planner

From: C.J. Freeland, Department Analyst IV Housing, Community and Economic Development Programs

Cc: Anne Novotny, Principal Planner Long Range Planning

Subject: Z17-0001, PD17-0001, TM17-1531 - CAMERON RANCH (Starbuck Road 56 CA LLC/R.E.Y. Engineers, Inc.):

The location of the proposed Z17-0001, PD17-0001, TM17-1531 - CAMERON RANCH has been identified by its General Plan Land Use designation as a prime area to include affordable multi-family residential work-force housing. The proposed project site is within close proximity to amenities such as schools, transportation, employment, medical, recreation, and retail services. Therefore, it is recommended that the project's final conditions of approval require at least 10% of the units to be developed as affordable to moderate and/or low income households.

This can be accomplished in a number of ways through designation of the affordable units to an affordable housing developer who would provide rental housing and/or as single-family homes providing for "for-sale" units to households earning 50 to 120 percent of area median income levels.

In addition, Parcel Number 102-110-14, 2761 Camarc Drive, contains an 8-unit multifamily complex that potentially provides housing for low to lower income households. General Plan Housing Element Goal 3.0 requires the County to preserve the current stock of affordable housing. Policy HO 3.2 states that "Demolition of existing multi-family units should be allowed only if a structure is found to be substandard and unsuitable for rehabilitation and tenants are given reasonable notice, an opportunity to purchase the property, and/or relocation assistance by the landlord."

The Housing, Community and Economic Development (HCED) Program asks that the TAC team and Planning Commission consider as part of the zone change and General Plan Amendment that any development to this re-zone request have stipulations of

Attachment A

replacing 100% of the affordable units with units affordable to low and lower income households and/or provisions for relocation of displaced households.

General Plan Policies HO-1.6, HO-1.7, HO-1.16 and HO-1.18 requires the County to encourage applicants to offer a portion of their developments as affordable. Should the project be approved with a portion of the units to be set aside as affordable, HCED staff would work with the applicant to identify potential funding opportunities that may assist in the development of the affordable units. For example, should the applicant wish to set aside 20% of the units as affordable, the project may be eligible for TIM Fee Offsets under Board Policy B-14 (TIM Fee Offset for Developments with Affordable Housing), fee deferrals under Board Policy B-11 (Affordable Housing Fee Structure), and priority fast-track processing for the review process. A complete list of funding opportunities, along with incentives for including affordable units, is available by contacting the HCED Program at (530) 621-5159.

An affordable housing plan and agreement is required should affordable units become a condition of the project. Staff, upon request, can provide a draft agreement to the applicant. Proposed language for the condition to include affordable units is as follows:

AFFORDABLE HOUSING PROJECT SPECIFIC CONDITIONS

- At least ten percent (10%) of the total units shall be designated as affordable housing for families of moderate to low income. Income levels are defined as those households earning between 50 to 120 percent of the median family income as established for El Dorado County. Deed restrictions for these specific units shall be recorded prior to approval of the final map.
- 2. An affordable housing plan, to include but not be limited to financing arrangements, monitoring program and 20-year deed restrictions shall be established by the applicant through a Developer's Agreement with the County of El Dorado. A copy of the affordable housing plan shall be submitted to the Planning and Building Department prior to final occupancy of the first multifamily unit.
- 3. In accordance with General Plan Policy HO-3.9, the property owner(s) shall provide notice to the California Department of Housing and Community Development, the County Department of Human Services Public Housing Authority, the HCED Program and the existing tenants at least two years prior to the conversion of the affordable rental housing units to market rate. For sale units are subject to a Buyers Agreement as part of the housing plan Developer's Agreement.

Should you or the applicant require additional information, please do not hesitate to contact me by calling (530) 621-5159 or send an email to <u>cynthia.freeland@edcgov.us</u>.

Thank you for the opportunity to provide comment on this project.