



City of Davis
Planning Commission Minutes
Community Chambers, 23 Russell Boulevard, Davis, CA 95616
Wednesday, May 22, 2013
7:00 P.M.

Commissioners Present: Herman Boschken, Ananya Choudhuri, Cheryl Essex, George Hague, Marilee Hanson (Vice Chair), Rob Hofmann (Chair), David Inns (Alternate)

Commissioners Absent: Mark Braly

Staff Present: Community Development & Sustainability Director Mike Webb; Principal Planner Bob Wolcott; Planner Cathy Camacho; Housing & Human Services Superintendent Danielle Foster

1. Call to Order

R. Hofmann called the meeting to order at 7:05 p.m.

2. Approval of Agenda

A. Choudhuri moved, seconded by G. Hague, to approve the agenda, .motion passed by the following vote:

AYES: Boschken, Choudhuri, Essex, Hague, Hanson, Hofmann, Inns

NOES: None

ABSENT: Braly

3. Staff and Commissioner Comments

B. Wolcott: Introduced and welcomed new Community Development & Sustainability Director, Mike Webb.

M. Webb: Look forward to working with Commission. Extend invitation to commissioners to meet with him.

4. Public Communications

None

5. Public Hearings

A. Verona at Parkside Subdivision “Lot O”: Planning Application #15-10

Planner, Cathy Camacho: Regis Homes of Northern California is requesting approval of entitlements for the development of ten single-family dwelling units on the vacant 1.13 acre parcel located in the Verona subdivision. The parcel, “Lot O”, is proposed to be subdivided into single-family lots, private alleys and common open space; the development would include a mix of detached one- and two-story dwellings, including four accessible single-story units.

Note- Corrections to findings and conditions have been provided; correction to condition 1 incorporated into Development Agreement. Amended findings 9 & conditions 1, 37 and 40. City had no intention to acquire property, assume ownership, develop. After 2008, surveys were conducted on site. In 2010, when project came before Council for minor revisions, staff revisited parkland requirements. Recommendation to eliminate parkland was brought before RPC. Commission recommends eliminating. All 10 units will be market rate units.

G. Hague: City has not adopted universal access ordinance. In November 2012, City adopted resolution of intent and direction to staff to draft an Ordinance. Commend Developer for providing accessible units and large garage space for wheelchair loading vehicles.

C. Camacho: Proposal, take two market rate units from current subdivision and sell as affordable. Total affordable for the entire subdivision will be 19.

Chair Hofmann opened the public hearing at 7:34 p.m.

Bill Hartman, Regis Homes Representative, Verona Project Developer: Changes to conditions and Development Agreement are acceptable to developer. Originally, total of 24 duets at corners of alleys, 12 duplex buildings; individual lots, attached units. 19 will be affordable.

Housing & Human Services Superintendent, Danielle Foster: Resolution expands on existing policy.

Chair Hofmann closed the public hearing at 7:49 p.m.

H. Boschken moved, seconded by G. Hague, to approve staff recommendation as follows:

Recommend that the City Council take the following action:

1. Determine that Negative Declaration #2-10 prepared for this project adequately addresses the environmental impacts associated with the proposed project; and
2. Adopt the Resolution of Intent to Amend General Plan land use designation of the subject site from "Park/Recreation" to "Residential Medium-Density"; and
3. Adopt the Zoning Ordinance to rezone the site from 2-07 to 2-07B striking the requirement for the developer to provide parkland on the subject parcel; and
4. Adopt the Development Agreement Ordinance establishing the Development Agreement between the City of Davis and the Developer; and
5. Approve the Tentative Subdivision Map to subdivide the parcel for the creation of ten residential lots; private alleys; and common open space. The City Council's approval will confirm the intent of the city to formally reject the Irrevocable Offer of Dedication of "Lot O" to the city for parkland; and
6. Approve the following entitlement applications, based on the Findings and subject to the Conditions of Approval:

- a. Final Planned Development to establish development standards for the residential lots, including building setbacks, building heights, lot coverage, floor area ratio, parking, and usable open space; and
- b. Affordable Housing Plan to establish the affordable housing component of the development; and
- c. Design Review for site plan and architectural review of proposed building elevations.

Passed by the following vote:

AYES: Boschken, Choudhuri, Essex, Hague, Hanson, Hofmann, Inns
NOES: None
ABSENT: Braly

C. Essex: Appreciate accessible units.

- B. Revisions to Housing Element and Affordable Housing Ordinance
R. Hofmann recused himself due to a possible conflict of interest.

Housing & Human Services Superintendent, Danielle Foster: The recommended revisions to the affordable housing ordinance are intended to provide an incentive for development consistent with city policies to encourage compact infill projects, focus resources on individuals and households with the greatest needs, and minimize obligations for local subsidies and administration.

G. Hague: ADU's should have requirements/strongly encouraged for visitable or accessible features/standards. Fastest growing group in Davis is age 55+. Would like Housing Element to include concept of visitability in new construction.

C. Essex: Should better define term stacked flats. Would seem that stacked flat and vertical mixed-use buildings would be suitable for affordable housing and/or able to utilize subsidies from other project in lieu fees. Core area is ripe for additional residential area and taller buildings. Critical for Commission to think of ways that include housing for low income individuals. Reluctant to exempt stacked flat and vertical mixed-use until we find a way to incorporate housing for different income levels in Core area.

ADU—concerned that allowing attached ADU to single-family residence will be less likely to be rented out as affordable unit. Could be hard to define difference between ADU rental unit and just increasing size of home. Could be more successful if ADU's were detached. May want to look at smaller minimum for ADU. Consider lowering below 325 sq. ft.

D. Inns: Clarify rental units = multi-family units. Should focus on rental units, meets most needs of low income. Concern that proposed reductions are simply in response to proposed Cannery project.

D. Inns: ADU's may not actually reach people that need affordable housing. Should consider lowering credit threshold, consider 30%. Don't think our community rents those types of units to the most vulnerable groups (low income).

M. Webb: Our approach to date with rental housing has been more focused on the low and very low categories. Part of the premise with the accessory dwelling unit is to broaden that rental opportunity horizon a bit more in terms of affordability. There are moderate income level affordability goals as well that play into this. Your point is well taken in that there are models out there with accessory units that have the full range of what kind of ratio of credit is given. What level of reasonableness would apply.

Vice Chair Hanson opened the public hearing at 8:44 p.m.

Public comments:

- David Taormino: Generally support staff recommendations; one of groups that funded initial study over 1 year ago. By taking various planning concepts and creating means to reward people, lost sight of providing affordable units. New homes are only way to fund some programs. Nothing should be exempt; should be logical relationship other than encouraging different types of development. Think there are so many restrictions because each development is required to provide affordable units—more expensive to develop. Developers often plan entire project around affordable units. Inefficient way of developing affordable housing units; prefer Commission emphasize in lieu fees and allow city to work with groups, use land dedication sites and build affordable housing.

Vice Chair Hanson closed the public hearing at 8:50 p.m.

Commissioner comments:

H. Boschken: RDA funding loss. Emphasis on in lieu fees would play favorably on how to deal with loss of funds. New Harmony best example, last project Davis built with RDA funds. Most immediate possibility for future projects is in lieu funding source.

A. Choudhuri: ADUs are already being used as rental properties. Land dedication something we want to do again? Where is there land available? All affordable shouldn't just be in South Davis.

M. Webb: Land dedication option reserved for larger scale projects. Need to have economies of scale for true affordable project.

A. Choudhuri: Keep in mind different family sizes and income levels. Consider when circumstances change over time, many are dealing with unemployment or reduced income.

M. Hanson: Uncomfortable that Ordinance is brought forward without full Housing Element. Focus on ADUs problematic, especially regarding new development Cannery Park. Oppose exemptions. Would like to see example of what would be required for proposed development with current requirements vs. proposed.

D. Inns: ADU's an issue.

M. Hanson: Letter from Legal Services. Ordinance, as proposed will be inconsistent with the Housing Element.

M. Webb: Part of the proposal is to amend the Housing Element. Letter opposes credit for ADU's. Precedent already set with state by other agencies.

H. Boschken: Suspect that standard deviation around median home prices does not reach down to median income levels.

M. Webb: Housing prices, affordable ownership projects-vast majority of newer units in projects have been below median home price point. Smaller scale projects have tougher time providing for sale affordable units. Moderate size projects 70-80+ units, becomes somewhat more feasible.

A. Choudhuri: Suggest directing staff to go back and make revisions based on Planning Commission comments, come back with Ordinance that ties into housing element.

M. Webb: Direction from Council to explore and come back with Ordinance is fairly specific. Looking from Planning Commission on action based on what is before them. Will go to Council with comments from SSC & Planning Commission. Would like action/recommendation on what is before Planning Commission. Will use input as opportunity to bring comments from both commissions to Council. Need to bring comprehensive feedback to Council, and receive final direction from Council.

D. Inns: Motivation is to focus on affordable rentals based on city need; leaning toward supporting staff recommendation.

G. Hague: City needs to attract more people downtown with ownership units. Think this ordinance speaks to that intent. Leaning toward supporting staff recommendation. Support caveat proposed by SSC.

A. Choudhuri: Not support 50% credit for ADU's.

H. Boschken: Can affirm recommendation with caveat that not have enough information. Would like to see recognition that commission is perplexed about number of significant issues and encourages staff to analyze more fully.

H. Boschken moved, seconded by A. Choudhuri, recommends as follows:

Commission recommends staff go forward with bringing Ordinance to Council, with the caveat that there are a number of issues that Council should consider before Ordinance is finalized:

Exemption of rental buildings that are more than 1 story.

Sliding scale of percentages for different numbers of units, basis?

ADUs as type of affordable, is 50% appropriate?

In lieu fees—when can in lieu fees be used, what is certainty that they will not always be used.

Exemptions for condominiums and mixed use.

M. Webb: Is Commission recommending approval of resolution/ordinance or not recommending approval? Recognize that Planning Commission wants Council to hear input. Not hearing comfort level of recommending approval of staff proposed Ordinance. Suggest: Planning Commission recommends Council approve subject to further consideration of the following issues:

D. Inns moved to a sub motion: Approve staff recommendation, ask staff to address concerns of Planning Commission in report at time that recommendation is made to Council. Motion died for lack of second.

C. Essex moved to sub motion, recommend Planning Commission approve the resolution and ordinance as follows:

A, B with exception, strike stacked flat condo exception.

C remove altogether.

D modify to 1/3 of projects, recommending study of existing ADU rental status in city.

E

F ADUs shall contain minimum gross floor area of 225 sq. ft. and maximum 600 and be detached from primary single family residence.

Motion died for lack of second.

M. Webb: Suggest approve staff recommendation with items to be further vetted before going to City Council.

Motion reworded:

H. Boschken: Planning Commission recommends that City Council approve staff recommendation:

the resolution and ordinance making modifications to the Housing Element and Affordable Housing Ordinance to:

M. Webb suggest: Motion to approve SR 2A, 2B, remove 2C, modify 2D to suggest that rather than 50% basis be 1/3 or 33% basis, and suggest a study of residential units be used to help further vet ratio, and 2E.

Should recommend approving, but with staff to address concerns when forwarding to Council.

C. Essex, made a friendly amendment as follows: ADU to be modified to 225 minimum gross floor area and be detached from primary single family residence.

Motion passed as follows:

AYES: Boschken, Choudhuri, Essex, Hague, Hanson

NOES: Inns

ABSTAIN: Hofmann

ABSENT: Braly

Recommendation: Recommend that the City Council approve the Resolution to Amend the General Plan Text and Ordinance Amending Chapter 18 of the Davis Municipal Code to Update Requirements, making modifications to the Housing Element and Affordable Housing Ordinance to:

- a. Focus on rental housing for very-low income households, as those with the greatest needs; and
- b. Set a graduated scale for inclusionary obligations for ownership developments comprised of: 25% of lots exceeding 5,000 sq. ft.; 15% of lots less than 5,000 sq. ft., 10% of single-family attached units, and 0% for stacked-flat condominiums; and
- c. Modify inclusionary obligations for rental units in vertical mixed-use buildings to 0%; and
- d. Credit for Accessory Dwelling Units toward up to half of a project's inclusionary requirements on a 50% basis, subject to performance standards; and
- e. Provide the ability for a project to pay fees in-lieu of providing affordable housing, subject to discretionary review of the City Council. Current fee to be in the range of \$50,000-55,000 per required affordable unit (equivalent to the midpoint between the market "gap" for for-sale affordable housing, and the average cost to subsidize an affordable rental unit).

6. Staff and Commissioner Comments (continued as needed)

M. Webb: May 23, 2013, will be holding open house on Covell Corridor plan, 6-8 p.m. at Veterans Memorial Center.

7. Informational Items

A. Schedule of Upcoming Meeting Dates.

M. Webb: June 12, 2013,-- 602 Cantrill and Richards Blvd Hotel will not be agendized.

June 19, 2013-Have received responses from most commissioners on availability.

R. Hofmann: Concerned about adding meeting, limited staff resources.

H. Boschken: Not available on June 19, 2013.

A. Choudhuri: Need to have items in front of commission twice. Should receive input from commission, then bring back final proposal for recommendation.

8. Adjournment. The meeting was adjourned at 10:23 p.m. The next regular Planning Commission meeting will be held June 12, 2013.