

## M E M O R A N D U M

**Date:** February 2, 2009

**To:** City Council

**From:** Tom Parilo, Consultant  
Cindy Siegfried, City Planner

**Subject:** 2009-2014 Housing Programs and Strategies

### Recommendation:

1. Conduct a workshop to consider a range of housing programs and strategies for the 2009-2014 Housing Element update
2. Direct staff to include the following provisions into the Housing Element
  - a. Include existing R2 sites along with rental data and second unit sites as adequate sites to accommodate the City's 2001-2008, deficit of 39 units.
  - b. Create a new R3 zone that would allow a maximum of 15 u.p.a. density to meet the minimum amount of land necessary to achieve the City's 2009-2014 allocation of Very Low and Low Income housing requirements.
  - c. Propose that 25 percent (or 12 units) of the City's allocated Very Low and Low income units for the 2009-2014 Housing Element be satisfied through second units.
  - d. Include a program that would require that the City rezone within one year of adoption of the Housing Element the appropriate lands (minimum of 3.1 acres) to accommodate the remaining amount (37 units) plus an additional 25 percent (9 units) for a total of 46 multiple family dwelling units.
  - e. Include a "no net loss" policy for future rezoning or under development of zoned R3 sites.
  - f. Include policies that would formally recognize mixed use to accommodate residential uses in various non-residential General Plan land use designations and zoning districts
  - g. Add policies/programs to allow the division of existing legal lots with more than one legal dwelling that include development standards for setbacks, lot coverage, parking requirements and subject to a 30 year affordability restriction.

- h. Add policies/programs to allow emergency shelters and transitional housing as a use by right in the LI zone
  - i. Amend the R1 and RR zones consistent with state law to clarify that factory built homes (modular homes and mobile homes) on permanent foundations meet the same standards as conventionally built single family dwellings and preclude units older than 10 years of age.
  - j. Continue the 2003 policy that encourages zoning for mobilehome parks in appropriate locations.
3. Request staff to work with the Planning Commission to prepare a draft R3 zone along with appropriate, objective, development standards and design guidelines/standards to bring about a ministerial permit process in accordance with state requirements.
4. Request staff to work with the Planning Commission to recommend specific sites for rezone to R3. The number and size of the recommended sites shall not exceed the amount needed to meet the City's Very Low and Low income housing needs.

**BACKGROUND:**

State law requires all cities and counties to update their Housing Elements every five years. The City, along with all other jurisdictions in Nevada County, must update its Housing Element by August 31, 2009. The Housing Element is one of seven state mandated elements required in a General Plan. The first formal step in the update process requires the California Department of Housing and Community Development (HCD) to allocate a housing need to each regional planning organization in California. Nevada City's Regional Housing Need Allocation (RHNA) for 2008-2014 is provided in Table 1 below. On May 14, 2008, the City Council recommended the adoption of the Regional Housing Allocation Plan (RHNP) and the Sierra Planning Organization adopted the plan on June 4, 2008. Nevada City's allocation is provided in Table 1, below.

**Table 1  
2008-2014 Housing Allocation**

<b>VERY LOW</b>	<b>LOW</b>	<b>MODERATE</b>	<b>ABOVE MODERATE</b>	<b>TOTAL</b>
<b>26</b>	<b>23</b>	<b>27</b>	<b>55</b>	<b>131</b>

Please see **Attachment 1** for a review of the various income levels associated with these various income categories and housing affordability factors.

## INTRODUCTION

On January 15, 2009, the Planning Commission conducted a public workshop to address a variety of housing program and strategies. That staff report and the draft minutes from that meeting are enclosed for further information. This report highlights some of the major changes that resulted from that meeting. The most significant discussion revolved around the proposed R3 zone concept and the inventory of adequate sites to accommodate the R3 zone.

Relative to the concepts for the R3 zone district, the Planning Commission recommended that the City Council request the Commission to develop a draft R3 zone district that would accomplish the required ministerial project review process to include objective site development requirements and design standards. The Planning Commission further recommended that it be assigned the responsibility to recommend the appropriate sites to the City Council.

As discussed in the January 15, 2009, staff report, staff corresponded with 15 different landowners whose properties were preliminarily identified as candidate R3 zoned sites (See Attachment 2 from the January 15, 2009, report). As a result of that correspondence and the Planning Commission workshop that list has been revised. Nine sites (Sites 3, 4, 6, 8, 11 [portion], 12, 13, 14 and 15) have been removed due to landowner requests, site constraints (size), location or owner commitment to alternative land use scenarios. Two additional sites have been added for consideration based on landowner requests. A new Multiple Family Candidate Sites list has been prepared (**Attachment 2**).

With the exception of Site 4 (.82 acres), all sites are larger than one acre. The two sites added are new Site 5 at 646 Searls Avenue and Site 10 at 210 Providence Mine Road. The former site adjoins a 16 unit multiple family developed project on one acre to the north. The latter site is an approximately 2 ½ acre portion of the undeveloped lands within the Nevada City Tech Center project. This area is included within the development agreement that was modified and approved in 2000.

Members of the public suggested that the Planning Commission conduct a community walk-around to consider the candidate sites. Staff has once again sent a correspondence to the remaining 9 property owners to ascertain their interest in being considered for R3 zoning. As noted in the January 15, 2009, staff report (pages 3 through 5), assuming HCD accepts the City's approach to dealing with its current Very Low and Low income household deficit (39 units) and its approach to determining the amount of acreage needed, a maximum of four acres would be needed to meet the Very Low and Low income housing allocation requirements.

Housing Element time limits/schedule. As noted above, the City must update its Housing Element by August 31, 2009. HCD has two opportunities to review a proposed Housing Element. The first review follows the submittal of the draft plan to

that agency. HCD legally has 60 days to review the draft. After formal adoption, HCD has another 90 day review. Should HCD find the Element to be in conformance with state law they would then certify the Housing Element. If they find it to be in non-conformance, certification would be delayed until such time that any inconsistent feature is properly addressed. Staff projects to have a first draft available by latter part of February, 2009. Prior to referring the draft plan onto HCD, staff would present the draft to the City Council and request authorization to forward it to HCD for their formal review and comment. During the HCD review period the R3 zone would be prepared along with a variety of new policies and programs for inclusion into the general plan and zoning code to implement key provisions of the draft Housing Element. In addition, the Initial Study would be prepared for review by the ARC. Public hearings on the draft plan would commence in late spring (May or June).



## Attachment 2 Multiple Family Candidate Sites

Map Location	APN	Location	Size (acres)	Zoning	Maximum # of units if Zoned R3-15	Site Constraints/ Opportunities	Comments
1	5-06-03	656 W. Broad Street	2.43	R2-SC	36	Existing 1F residence Approximately 1.25 acres useable SC requires PC design review	Gateway into City from Hwy 49 Net density=15.2 u.p.a
2	5-06-08	641 W. Broad Street	1.22	R2-SP	18	Roger Williams Ravine and steep slopes Approximately .6 acres useable Must meet SP standards	Gateway into City from Hwy 49 Net Density=16.7 u.p.a
3	5-26-12	501 Searls Avenue	1.26	R2-SC	19	Existing 1F	Site has constraints.
4	5-28-08	601 Searls Avenue	.82	R2-AN-PD	12	Good access from two streets and site is flat	
5	5-270-38	646 Searls Avenue	1.0	R2-AN-PD	15	Site is narrow and developed with a single family dwelling, but multiple family uses would conform with development to the north and south.	Owner requested to be included
6	5-290-22	726 Searls Avenue	1.7	OP-AN-SC	26	Site is flat, but irregular shape (flag pole lot)	OP allows R2 with CUP. Owner appears to be interested
7	5-290-26	170 Ridge Road	4.59	SL-AN-SC	69	Site is flat	Owner requested that entire site be considered for R3
8	NA	210 Providence Mine Road	2.5 portion	LI-DA	37	Good access and relatively mild slopes. Need to amend Nevada City Tech Center Development Agreement on land area not included for development	Owner would like residential uses to provide employee housing opportunities
10	5-03-31	160 Bost Ave.	2.2	EC-AN	33	Site is flat and has water, sewer and access	Owner is interested in senior housing.
<b>Totals</b>			<b>17.7</b>		<b>265</b>		