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Engineering • Surveying • Planning

THE GROVE Nevada City Tech Center Workforce Residential

PROJECT DESCRIPTION September 2015

City Application Request:

The Grove is an application for a tentative final map and development permit, proposing a total of 32 attached single family units and 12 detached single family residences, to be constructed adjacent to the Nevada City Tech Center located on a portion of Nevada County Assessor's Parcel 05-190-53. The application includes an architectural review of the attached units. Architectural review of the detached single family units will be on an individual basis in the future, as they are built out. It is anticipated that the project will be built in at least two phases based on market demand.

The application includes tree removal as required to construct the project and the subdivider may include some tree removal in the individual lots to create space for buildings, along with the overall road and infrastructure construction.

The project will meet the City's affordable housing requirements in compliance with the *Affordable Housing Plan* adopted April 11, 2012 by the City Council. This requires that 20% or 12 units of the attached housing be less than 1,500 SF and an additional 10% or 6 units will be less than 1,250 SF. In the detached housing, at least 12 second units will be provided.

Development of the project is also subject to the performance standards and mitigation measures detailed in *Ordinance 2011-03* adopted January 12, 2011. These standards reflect the environmental review and mitigated negative declaration adopted for the rezoning. This project is an implementation of the project anticipated with the zoning.

The project will include new on and off-site trail and road improvements as shown on the tentative map and architectural site plan and as required by the said Ordinance 2011-03. The project will include the 2-lane emergency-only access point to the Brock Road/Hoover Lane intersection area (currently pedestrian access only) and the existing single lane emergency-only access to Reward Street. Finally, in order to maintain appropriate fire access standards, the detached housing subdivision will also connect to the interior street of the Tech Center, now known as Providence Mine Road.

As a part of the site development there will be a limited amount of mine waste remediation work, that will include treatment of selected areas and sequestering certain waste areas underground, as explained in detail in the draft *Removal Action Work Plan* (RAW) prepared by Holdrege and Kull, which is on-file with the City. The California State Department of Toxic Substances Control has approved the draft plan and will make their final approval after the City's completion of CEQA environmental review on this application. DTSC will be a responsible agency, issuing a clean up and finally certifying the cleanup of the site, based on the City's environmental review process.

We've also received a letter from the Tsi-Akim Maidu asking that a bark house be built off-site in the recreational center of the Nevada City Tech Center, adjoining the major grinding rock there. Verbally, the tribe offered to build the bark house if the landowner can provide the cedar timber on-site.

The application includes tree removal as needed to build the project and infrastructure and a preliminary landscaping plan has been provided for the attached unit area. Landscaping in the single family area will be by the individual future lot owners.

Finally, the site is within the boundaries of the Development Agreement recently extended by the City. The old document is set to expire in early 2016. The new document is gathering signatures and will be recorded immediately after all have signed. The development agreement recognizes that this application is in progress, but does not exempt it from further environmental review. The agreement calls for fuel management in the open space parts of the project area.

The project service providers are as follows:

PUBLIC SERVICE	PROVIDER
Sewer (Wastewater)	City of Nevada City
Water	Nevada Irrigation District
Street Maintenance and Snow Removal	City of Nevada City (some interior streets might be privately maintained)
Electrical	Pacific Gas and Electric Company
Telephone	AT&T
Cable TV and Broadband Internet	Comcast
Elementary School (K-8)	Nevada City School District
High School	Nevada Joint Union High School District
Community College	Sierra Joint Community College District
Planning, Zoning, and Permitting	City of Nevada City and Contractors
Other public services	County of Nevada

Background:

In the mid 1980’s, the local video switcher company, Grass Valley Group, annexed the land area west of Nevada City, served by Providence Mine Road. They entered into a development agreement, which has just this month been extended for the third 15 year period, now running until 2030. As a part of the initial Grass Valley Group work, various infrastructure improvements were made and a large land area along the Deer Creek canyon was deeded to the City as the “Deer Creek Environs.”

Since the original annexation, the land area involved in the project area has been subdivided in various ways, with about half of the site owned by KENMAWR-NEVADA CITY, LLC. The now vacant Grass Valley products buildings are on their property in the northern part of the land.

The southerly half is owned by Nevada City Tech Center, LLC, and has been developed with two business buildings, including one that has been subdivided into office condominiums.

The original development agreement provided for a business development core, with an open space area surrounding the core that was slated for possible future development. In the 2010 Nevada City General Plan Housing Element Update, and after an extensive

City-wide review that included consultation with landowners, a portion of the Nevada City Tech Center property was designated for multi-family development. This was followed by a City sponsored rezoning of the area to R3, which include use-by-right for apartment development.

Concurrently with the City sponsored General Plan amendment and rezoning, Nevada City Tech Center applied for an additional rezoning of part of the future development area to R2-PD-SP (Multi-family with planned development and site-performance combining districts).

As a part of the combined General Plan amendment and rezoning, the applicant provide a preliminary sketch showing a mixture of multi-family units and single family units, meeting the intent of the City land use changes.

Concerned that a housing project might not be feasible if inclusionary housing was required, Nevada City Tech Center filed an affordable housing plan in advance of any formal application. The same concept development sketches were included in the City's review of the affordability plan. The plan cited ways that portions of the housing could be kept "relatively" affordable, without any mandatory price or deed restrictions to artificially manipulate the free market pricing. The Affordable Housing Plan was approved by the City Council on April 11, 2012, with these conditions:

1. Income based deed restrictions are not desired by the City;
2. The final project shall conform with City ordinances limiting unit size and requiring a mixture of second units with single family homes, and;
3. The R3 portion of the property must include 32 units.

In 2013, Nevada City Tech Center prepared and submitted a formal application for a tentative final map and development permit for the entire housing area, including preliminary engineering by Kevin Nelson, PE, and multi-family design drawings prepared by architect Brent Daggett. The individual single family homes would return to the City Planning Commission on a lot-by-lot basis to obtain design approval and to confirm the inclusion of the required number of second units.

Soils reports submitted with the application revealed that the site had been previously mined and that there were isolated areas where natural mine waste rock components barely exceeded naturally occurring levels of arsenic and certain heavy metals. The City application processing was put on hold while the applicant retained the local firm of Holdrege and Kull to work with the permitting authority, California State Department of Toxic Substance Control (DTSC) to complete a preliminary endangerment assessment

and a *Draft Removal Action Work Plan (RAW)* to remediate any hazmat concerns prior to the subdivision of the property. The plan calls for areas of elevated toxins to be buried in an open space area of the property, which will be deed restricted to prohibit any future surface use or land disturbance.

The RAW will be finally approved by DTSC after the City's environmental review for final approval. Therefore, the work proposed under the draft RAW is a part of the project description. DTSC will act as a responsible agency during the environmental review.

All of the technical studies and environmental review action completed with prior parts of this property's general plan, zoning, and the current application are incorporated by reference into this project description.

More about Housing Affordability:

The adopted *Affordable Housing Plan* referenced above includes a discussion of reaching affordable housing goals. The City has long since recognized that it is often not financially possible to build new housing in a market range that is readily affordable to moderate and below moderate income households. The City has also recognized that inclusionary housing is not desirable for a variety of reasons, including but not limited to, that the other landowners in the project unfairly provide the subsidy, that deed restricted units do not allow the first owner to enjoy the benefits of possible home appreciation, and that deed restricted units are extremely difficult to administer over time. During the Great Recession, deed restricted units throughout California were actually required to be sold for ABOVE market rate. The nearby City of Grass Valley recently chose to drop the inclusionary housing requirement on a large number of un-built projects, in recognition of these issues.

The adopted Affordable Housing Plan embraced the City's approach with "affordability by design" that is reflected in this project. Relative affordability means that, by design, these units to be sold at market rate over their lifetime will always be more affordable than other newer City units. There are three major components that make the attached units "relatively affordable." The first component is a location within the City, a neighborhood that presents the real opportunity for walking and biking to jobs, shopping, recreation, and public transportation. The second component is the multi-family building design of the attached units, reducing their heating and cooling costs with the higher insulation values afforded by common walls. And finally, as noted by general City ordinance, the smaller floor plan sizes of the units also contribute to lower overall household costs.

Typical monthly household expenses that can be saved in this type of project are illustrated by the following table:

MONTHLY HOUSEHOLD EXPENSE CONSIDERATION	SAVING RANGE COMPARED TO 2,000 SF SINGLE FAMILY HOME
Heating and Cooling (average month)	\$100-150/month
Elimination of Second Car	\$300-500/month
Vehicle Driving Costs Savings by Walking/Biking	\$200-350/month
Home and Contents Insurance	\$30-40/month
Homeowners' Dues	\$0
TOTAL:	\$630-\$1040/MONTH

If these saving can be applied to a 30 year mortgage, they add enough payment power to afford \$100,000 to \$150,000 more in house cost.

In addition to the savings that the home owner might enjoy, the multi-family area in particular will be more cost effective to build than suburban houses on single-family lots. In a typical housing tract, the jurisdiction might require wide streets, with curb, gutter, and sidewalk. When combined with ordinary utility installations, these improvements might run in the range of \$55,000 to \$60,000 per house. The standards for this project will require rural streets sufficient for good fire protection but not excessive and without curb, gutter, and sidewalks. It is hoped that this will reduce the per-unit costs of infrastructure by as much as \$20,000 per unit.

Attachments:

1. Figures that illustrate project components
2. The *Affordable Housing Plan* adopted by the City Council
3. *Ordinance 2011-03* containing site performance standards