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REDDING PLANNING COMMISSION
 Regular Meeting, 4 p.m.
 Tuesday, October 28, 2008
 City Council Chambers
 777 Cypress Avenue
 Redding, California 96001

MINUTES

Chairman Randall Smith called the meeting to order at 4 p.m., with Commissioners Emmett Burroughs, Jim Chapin, Michele Goedert, Bert Meyer, Lynne Wonacott, and Chris Young present. Also present were Development Services Director Jim Hamilton, Planning Manager Douglas DeMallie, City Attorney Rick Duvernay, Land Development Manager Marty Wayne, Senior Planner Kent Manuel, and Executive Assistant II Anita Felion.

APPROVAL OF MINUTES

Commissioner Jim Chapin moved approval of the minutes of the meetings of September 9, September 23, and October 14, 2008. Commissioner Bert Meyer corrected the minutes of October 14 to reflect that the WestVenture building was excluded from the field trip due to time constraints. Commissioner Meyer then seconded the motion. Commissioner Michele Goedert abstained from the vote for the meeting of October 14 due to her absence. The vote for the meeting of October 14 carried with six ayes and one abstention. The vote for the meetings of September 9 and 23 carried by a unanimous vote.

ANNOUNCEMENTS

Development Services Director Jim Hamilton announced that the Planning Commission meeting of November 11, 2008, was canceled due to a lack of items.

PUBLIC HEARING - RECOMMENDATION TO THE CITY COUNCIL - REDDING MUNICIPAL CODE AMENDMENT TO ADD CHAPTER 18.26, RESIDENTIAL DENSITY BONUS, by the City of Redding. The new code chapter would implement the State Density Bonus Law as found in Government Code Section 65915. The provisions of state law require local jurisdictions to grant a density bonus (i.e., allow more residential units to be constructed than is otherwise allowed under the General Plan and Zoning Code), if the development contains a specified number of dwellings reserved for very low-, low-, and/or moderate-income households. The law also requires that local jurisdictions provide certain incentives to the developer of such units to help offset their development costs. Environmental Determination: Addendum to the Mitigated Negative Declaration adopted for the Zoning Code. Staff Recommendation: Recommend to the City Council adoption of the Addendum to the Mitigated Negative Declaration and approval.
 L-010-500-050

Senior Planner Kent Manuel utilized a PowerPoint presentation to introduce the item. He noted that for a number of years, state law had contained provisions that required local jurisdictions to grant housing developers extra housing units (i.e., a density bonus) if the project included units that would remain affordable principally to very low- and low-income households. He said these density bonuses allowed the residential density under the applicable General Plan designation and zoning of a given property to be exceeded as one way to help offset the cost of providing housing for lower-income households.

Mr. Manuel continued that the City's current density-bonus provisions were adopted in 2002, but with the adoption of Senate Bill SB 1818 in 2005 and Assembly Bill AB 2280 in 2008, they were now out of date and no longer reflected many of the provisions of the Government Code. He observed that the 2005 amendments made substantial changes to the state's density-bonus law, not the least of which were relaxing density-bonus eligibility requirements and requiring that local jurisdictions provide "incentives" in an effort to encourage the production of affordable housing. Mr. Manuel stated that the City had relied on the 2005 amendments in its review of five

density-bonus applications it had received since the change in state law. He indicated that the intent of the proposed ordinance was to incorporate the revisions of these bills into the Zoning Code.

Mr. Manuel discussed the types of residential-density bonuses, which included:

- Reservation of units for very low-income and low-income households.
- Reservation of ownership units for moderate-income households.
- Senior citizen housing.
- Provision of a child-care facility.
- Donation of land for construction of affordable units.
- Condominium conversions.

The density-bonus basics were also discussed by Mr. Manuel. He stated that under the law, density bonuses were available for projects with five or more dwelling units. He noted that the bonus ranged from 20 to 35 percent, depending on the percentage of lower-income units to be provided and the household-income category the units would be reserved for. He advised that the maximum density bonus that a local jurisdiction was *required* to provide was 35 percent; the law allowed, but did not require, jurisdictions to approve density bonuses that exceeded 35 percent.

Regarding incentives, Mr. Manuel said the developer had the right to select up to three incentives (depending on the ratio of market rate to affordable units proposed with the project) that were necessary to make the affordable aspect of the development feasible. He said a local jurisdiction might deny the requested incentives (but not the bonus units) if the City found that the incentives were not necessary to provide the affordable-housing component. He continued that to ensure that the incentives were warranted financially, the developer might be required to provide sufficient financial justification to support the request (i.e., provide a project financial pro forma). Mr. Manuel explained that the proposed ordinance provided some flexibility in that if the requested incentives were minor (such as requests for minor lot-size or building-setback reductions that were within the thresholds established by the Code) or if at least 75 percent of the proposed units would be affordable to very low-income or low-income households, the City *might waive* the requirement to provide a project "pro forma."

Mr. Manuel explained the benefits of the ordinance, including being consistent with recent practice, supporting the Housing Element's goals, providing an alternative to "Inclusionary Zoning" regulations, providing additional incentives for affordable housing, and recognizing that all projects were not made in the same mold. He stated that the potential downside of adopting the ordinance was the potential for significant deviations from General Plan/zoning densities, the encouragement of "inappropriate" requests, the establishment of expectations that requests would be approved, the obligation by the approving body to approve all requests, and concerns by the general public about "low-income" housing.

Mr. Manuel advised that options for allaying concerns included affordability thresholds (i.e., at least 75 percent affordable), establishing project-size thresholds (i.e., impacts of small projects may be negligible), and a higher level of review (i.e., establish the Planning Commission as the approving body for all density-bonus projects). Mr. Manuel stated that staff believed that the update to the density-bonus provisions of the Zoning Code was appropriate, not only to ensure consistency with California state law, but also because it would further the goals and policies of the Housing Element. He said staff recommended that the Planning Commission recommend to the City Council adoption of the Addendum to the Mitigated Negative Declaration adopted for the Zoning Ordinance and adoption of the Ordinance which approves the Zoning Ordinance amendment establishing Chapter 18.26, Residential Density Bonus.

Chairman Randall Smith asked what the advantage would be to the City for allowing the density bonus. Mr. Manuel observed that some projects that had been approved since 2005 (i.e., Mountain Vistas II and the Henry Avenue Subdivision) exceeded the maximum number of units; without the flexibility for incentives that were used during the last three years, the Mountain Vistas II density would have been reduced by half, and three units would have been eliminated from the Henry Avenue Subdivision.

Commissioner Chris Young inquired if "energy efficiency" could be added as an available incentive.

City Attorney Rick Duvernay explained that the financial incentive was actually intended for the developer. He said the goal was to lower the costs for the developers to encourage them to build units for low-income housing.

Commissioner Michele Goedert noted that the Planning Commission was often asked to allow density bonuses that were related to design enhancements for planned developments and subdivisions and asked if they would still be available. Mr. Manuel explained that the density increases were still available up to the top of the range in the General Plan. Ms. Goedert felt it would be wise to have a cap, but with some flexibility.

Commissioner Lynne Wonacott disagreed, believing a significant amount of units could be lost. More discussion ensued regarding the density-bonus cap.

Commissioner Emmett Burroughs felt the process would also benefit the developer when determining the feasibility of the project if he or she could apply and qualify for the credits.

Commissioner Bert Meyer mentioned inclusionary zoning, noting that Sacramento County passed a law that required 15 percent of subdivision stock be affordable. He believed that Redding as a community needed to look into inclusionary zoning and provide affordable housing for its citizens. Mr. Manuel advised that a community group would be forming to review the Housing Element and that requests had already been received to include the subject of inclusionary zoning.

Mr. Manuel explained that he had reviewed about 15 different ordinances from different communities that were considered progressive. He advised that most communities were sticking to the basics of state law. Mr. Manuel observed that most communities were relying on inclusionary zoning to get affordable housing, or they were putting their affordable housing in the context of their specific plans.

Development Services Director Jim Hamilton estimated that approximately 3,000 to 3,500 single- and multiple-family units were built during the past ten years, with an average of about 150 per year. The Chairman opened the public hearing at 4:41 p.m. Determining that no one wished to speak, the Chairman closed the public hearing at 4:42 p.m.

Motion: Commissioner Emmett Burroughs moved that the Planning Commission recommend to the City Council adoption of the Addendum to the Mitigated Negative Declaration adopted for the Zoning Ordinance and adoption of the Ordinance which approves the Zoning Ordinance amendment establishing Chapter 18.26, Residential Density Bonus.

Second: Commissioner Chris Young.

Ayes: Commissioners Burroughs, Chapin, Goedert, Meyer, Smith, Wonacott, and Young.

Noes: None.

Abstain: None.

Absent: None.

PUBLIC HEARING - RECOMMENDATION TO THE CITY COUNCIL - GENERAL PLAN AMENDMENT APPLICATION GPA-1-08, by the City of Redding. The proposed General Plan amendment would modify the text and map exhibits of several "Elements" of the General Plan, including, but not limited to, the following topical areas:

Community Development and Design Element

- ▶ *Update the land use classification tables to reflect current land use allocations.*
- ▶ *Modify various policies to reflect implementation measures that have been accomplished since adoption of the General Plan in 2000.*
- ▶ *Amend the "Primary and Secondary Growth Boundaries" to reflect recent annexation activity and existing sewer-service boundaries.*

Recreation Element

- ▶ *Modify the parks discussion and related maps and tables to ensure consistency with the recently adopted "Parks, Trails, and Open Space Master Plan."*

Environmental Determination: Addendum to the Environmental Impact Report adopted for the General Plan. Staff Recommendation: Recommend to the City Council adoption of the Addendum to the Environmental Impact Report and approval. G-030-010

Senior Planner Kent Manuel summarized the staff report. He noted that the 2000–2020 General Plan (Plan) was adopted on October 3, 2000. He said the Plan set the course for growth and development in the City through 2020 by establishing appropriate and necessary goals, policies, and action measures. Mr. Manuel stated that the City had implemented a significant number of the Plan's policies, ranging from completion of the new Zoning Code; Parks, Trails, and Open Space Master Plan; and Oasis Road Specific Plan to adhering to policies that provided everyday direction pertaining to the review of development applications.

Mr. Manuel observed that while based on a 20-year time frame, the General Plan was not intended to be a static document. He said it was important that it be reviewed periodically to ensure that its growth and development assumptions were still accurate and that its policy direction remained sound in light of evolving community concerns and desires. Mr. Manuel indicated that staff was working on updates of the Housing Element and amendments to the Health and Safety Element and Natural Resources Element required by recent state legislation. He advised that these were related to statewide flooding issues and were tied to the Housing Element update process and would be presented to the Commission as a single package in spring 2009.

Regarding the Community Development and Design Element Amendments, Mr. Manuel noted that Tables 1–2 and 1–3 were amended. He said these tables contained the acreage in each General Plan classification and estimated the potential population and commercial/industrial square footage that could theoretically result from buildout of the Plan. He added that these tables had been updated to reflect all the amendments to the General Plan Diagram that had been adopted since October 2000. Mr. Manuel indicated that the Primary and Secondary Growth Areas, Oasis Road Focus Area, and Specific Plan Areas were also updated.

Concerning the Recreation Element Amendments, Mr. Manuel advised that it was an "optional" element and not a state-mandated element of the General Plan. He said since adoption of the City's first Recreation Element in 1986, however, it had served as the basis for general park planning in the community. He added that it also satisfied an important requirement in state law relative to parkland acquisition. Mr. Manuel continued that the proposed amendments to the Recreation Element reflected the adoption of the Park, Trails, and Open Space Master Plan in 2004. He explained that it satisfied a number of policy and implementation/action directives of the General Plan, including the development of: (1) a citywide parks and recreation master plan, (2) a citywide master trails plan, and (3) development of service standards to ensure that new developments provided appropriate levels of improved open-space and/or recreational amenities. He said staff recommended that the Planning Commission recommend to the City Council adoption of the Addendum to the Environmental Impact Report adopted for the General Plan and adoption of the resolution approving amendments to the Community Development and Design Element and the Recreation Element.

Commissioner Randall Smith observed that the Recreation Element and the Parks, Trails, and Open Space Master Plan did not have a major funding source attached to it. He mentioned that the City of Bellevue, Washington had a \$40 million bond issue on the ballot for its parks, trails, and open space. He noted that Bellevue had just finished a 20-year bond and was going to ask for another one, which amounted to a modest parcel tax of only \$67 per lot. Mr. Smith felt the City of Redding needed a way to achieve its goals; as long as it was on the backs of new residents, it did not seem like it would provide a lot of maintenance.

Commissioner Bert Meyer requested that the various Neighborhood Plans be reflected on Appendix A.

Motion: Commissioner Chris Young moved that the Planning Commission recommend to the City Council adoption of the Addendum to the Environmental Impact Report adopted for the General Plan and adoption of the resolution approving amendments to the Community Development and Design Element and the Recreation Element.

Second: Commissioner Jim Chapin.

Ayes: Commissioners Burroughs, Chapin, Goedert, Meyer, Smith, Wonacott, and Young.

Noes: None.

Abstain: None.

Absent: None.

PUBLIC PARTICIPATION

None.

COMMISSIONERS' COMMENTS

Commissioner Bert Meyer noted that he had been informed that Caltrans was re-evaluating its Fix 5 Policy.

Commissioner Michele Goedert asked for an update on the Living Hope use permit.

Planning Manager Douglas DeMallie announced that staff would be providing an update at the next Planning Commission. He noted that no negative or positive comments had been received in the five months since project approval. He said he had observed the area around Living Hope on four occasions and believed the applicant had been in compliance with the performance conditions.

Ms. Goedert also asked if the City's land bank of housing was sufficient to meet the state's requirements.

Senior Planner Kent Manuel responded that the state had required the City of Redding to have sufficient lands zoned at 15 units per acre. He noted that the number was now increased to 20 units per acre. Mr. Manuel pointed out that the City currently had sufficient acreage to address the state's requirements but that the City would have to apply for a rezoning because it currently did not have anything zoned for 20 units per acre.

Chairman Randall Smith acknowledged the memo received from the Development Services Director regarding the lawsuit by the Friends of Canyon Creek against the Westridge Subdivisions.

Mr. Smith also mentioned that he had met with the Senior Planner from Everett, Washington, who give him a CD of documentation of the Southeast Watershed Improvement Project. He felt staff had been farsighted to begin the study before the declaration of threatened and endangered status for salmon. He mentioned that those interested could contact Planning Manager Douglas DeMallie for viewing of the CD.

Development Services Director Jim Hamilton announced that the Regional Transportation Planning Agency (RTPA) was meeting today to consider two items: the work program and grant application for the blueprint planning effort. He advised that the RTPA was in the process of preparing a Regional Transportation Plan (RTP). Mr. Hamilton continued that if the RTP was modified to follow a four-year cycle, the City would have the ability to extend its Housing Element updates for eight years. He believed there were positives in doing this. Mr. Hamilton added that the downside would bring the requirements of Assembly Bill AB 375 to the Redding area about two years sooner. He believed it was best for Redding to keep the RTP on a five-year cycle, versus a four-year update cycle. He offered to present an update at the first Planning Commission meeting in December.

ADJOURNMENT

There being no further business to come before the Planning Commission, Chairman Randall Smith adjourned the meeting at 5:13 p.m.

Jim Hamilton, AICP
Acting Secretary

Randall Smith
Chairman