City of Woodland

Meeting Agenda

Planning Commission

City of Woodland
Planning Commission
c/o
Community Development
Department
300 First Street
Woodland, CA 95695

530-661-5820

Thursday, January 18, 2018 | 6:30 PM | Council Chambers

Please Note: *The numerical order of items on this agenda is for the convenience of reference; items may be taken out of order. No new items shall begin after 10:30 pm unless unanimous consent exists to continue.*

A. Call to Order

B. Roll Call

C. Pledge of Allegiance

D. Staff and Commissioner Comments

This is an opportunity for the Planning Commission members and staff to make comments and announcements to express concerns, or to request Commission's consideration of any items a Commission member would like to have discussed at a future Commission meeting.

E. Subcommittee Reports

F. Communications from the Public

This is an opportunity for the public to speak to the Commission on any item other than those listed for public hearing on the agenda. Speakers are requested to use the microphone in front of the Commission and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Commission may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.

G. Approval of Minutes

H. Public Hearing

1. Tentative Parcel Map No. 5136 - 530 Quality Circle

   This item is continued to the February 1, 2018 Planning Commission meeting.

2. Inclusionary Housing Ordinance

   Staff recommends that the Commission receive a staff report regarding amendments to the Affordable (Inclusionary) Housing Ordinance, conduct a public hearing continued from the January 4, 2018 meeting, and recommend to the City Council adoption of amendments to the Inclusionary Housing Ordinance. The amendments will improve the availability of and access to affordable housing in new development areas, particularly for lower income households, and help attract new housing in infill areas that provide for sale and rental housing to moderate income buyers and renters.

Staff recommends that the Planning Commission:

1. Receive a staff report regarding amendments to the Inclusionary Housing Ordinance,
2. Conduct a public hearing,
3. Find that this Ordinance is not a project subject to the California Environmental Quality Act (CEQA) review pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations, and
4. Recommend to the City Council adoption of amendments to the Inclusionary Housing Ordinance.

I. Business Items

J. Staff or Commissioner Comments

K. Adjournment

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.

TO: MEMBERS OF THE PLANNING COMMISSION
DATE: January 18, 2018
ITEM #: 1.
SUBJECT: Tentative Parcel Map No. 5136 - 530 Quality Circle

Recommendation for Action:
This item is continued to the February 1, 2018 Planning Commission meeting.

Staff Contact:
Erika Bumgardner, Senior Planner, 530 661-5886, erika.bumgardner@cityofwoodland.org

Prepared By: Erika Bumgardner, Senior Planner

TO: MEMBERS OF THE PLANNING COMMISSION
DATE: January 18, 2018
ITEM #: 2.
SUBJECT: Inclusionary Housing Ordinance

Recommendation for Action:
Staff recommends that the Planning Commission:
1. Receive a staff report regarding amendments to the Inclusionary Housing Ordinance,
2. Conduct a public hearing continued from the January 4, 2018 meeting;
3. Find that this Ordinance is not a project subject to the California Environmental Quality Act (CEQA) review pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations, and
4. Recommend to the City Council adoption of amendments to the Inclusionary Housing Ordinance.

Staff Contact:
Stephen Coyle, Deputy Community Development Director, (530) 661-5910, Stephen.Coyle@cityofwoodland.org

Fiscal Impact:
The cost of amending this Ordinance have been absorbed by the existing General Fund budget.

Report in Brief:
As a follow up the January 4, 2018 Planning Commission meeting and public hearing meeting, and in response to the Commissioners discussion, questions and public comments, Staff will review the proposed amendments and respond to questions and concerns expressed by several commissioners with regard to several of the proposed amendments to the Ordinance.

City Council, during the 2017 Housing Workshop, directed staff to amend the Affordable Housing Ordinance to improve housing affordability. Staff responded with the proposed amendments and presented the amendments to Council on December 5, 2017. Council directed Staff to continue the review and adoption process, first with the Planning Commission before returning to Council with the Commission's recommendations, for final approval and adoption in February, 2018. In light of the relative complexity of the Ordinance which includes inclusionary requirements for for-sale and rental projects in new and existing areas, adjustments to the In-Lieu Fee section, and the addition of Article VI, "Alternatives to on-site construction of affordable units", staff scheduled a second Planning Commission meeting and hearing to provide addition time for review and deliberation. The amendments presented on January 4, 2018 to Planning Commission were followed by a public hearing and discussion. The public hearing was continued to January 18, 2018 to allow the Commission to complete its review, and formulate and vote on recommendations for Council.

Discussion:
The proposed amendments intend to remove inclusionary barriers necessary to achieve new or rehabilitated dwellings, primarily within infill areas. Exempting certain qualified projects from, and reducing the inclusionary requirement for infill projects will help incentivize development of for-sale and rental housing and provide housing for moderate income households. Once an infill market is established, the inclusionary requirements can be inserted into the ordinance for infill areas. The City's new Interim Zoning will increase the effectiveness of Inclusionary Ordinance.

With regard to In-Lieu fees, the proposal would allow the payment of fees into the City's Trust Fund in lieu of requiring the building of affordable units, Staff would develop and distribute a fee schedule to the builders. The fees would accrue in the Fund, allowing Council to determine how, when and where to build affordable housing by qualified builders. This approach would require that staff and Council periodically adjust In-Lieu Fees in accordance with market conditions, household incomes, and the demand for affordable housing. The In-Lieu Fee, subject to Council approval, could also support current programs including:

(1) The Loan Assistance for First Time Homebuyers where the city provides loans for first time, low income homebuyers purchasing new or resale homes, by providing addition financial assistance; and
(2) The Loans for Rental Projects where the city provides "gap" assistance loans for new multifamily rental developments and multifamily rental acquisition/rehabilitation projects that include units restricted to low income households.

Because the Inclusionary Ordinance is not part of the Zoning Code, nor included by reference in other Municipal Code chapters that describe various development impact fees, the Commission's recommendations with regard to the ordinance must be independent of other City code provisions. While the proposed amendments alone are insufficient to address the City's affordable housing needs, they help incentivize the provision of affordable housing for median income households and below.

In response to the Commissioner's questions on January 4, 2018 about the amount and size of potential infill parcels in corridor mixed-use zones, Staff prepared a list and map of vacant and underutilized infill sites within the mixed use corridors, by location, size and number of potential dwellings that could be built in each at 20 dwellings per acre density, though the zone would allow up to 40 units per acre. Many of the sites can accommodate smaller increments of affordable housing, for example less than 40 units per parcel are favored by local builders. Not included is the County Fair Mall Redevelopment Plan which could accommodate 560 new units in the Corridor Mixed-Use zone.

Environmental Determination:

The proposed Affordable Housing Ordinance imposes reasonable regulation on development to facilitate the goals and policies of the City's Housing Ordinance in ensuring that a reasonable amount of housing affordable to all income categories be provided to the extent possible. This Ordinance will not result in any significant change in the environment within the meaning of Section 15061(b)(3) of Title 14 of the California Code of Regulations. Projects that provide residential development are subject to independent review subject to the California Environmental Quality Act (CEQA).

Public Noticing:

The Public Hearing Notice for the Planning Commission hearing of November 21, 2017 was published in a one-eighth page notice in the Daily Democrat newspaper on December 12, 2017. This item was continued from November 21, 2017 to the January 4, 2018 and January 18 regular meetings as a public hearing item.

Conclusion:

Staff recommends that the Commission receive a staff report regarding amendments to the Affordable (Inclusionary) Housing Ordinance, conduct a public hearing continued from the January 4, 2018 meeting, and recommend to the City Council adoption of amendments to the Inclusionary Housing Ordinance. The amendments will improve the availability of and access to affordable housing in new development areas, particularly for lower income households, and help attract new housing in infill areas that provide for sale and rental housing to moderate income buyers and renters.

Prepared By: Stephen Coyle, Deputy Community Development Director

ATTACHMENTS:

Description	Upload Date	Type
Inclusionary Housing Ordinance Resolution	1/12/2018	Cover Memo
Amendments to Inclusionary Housing Ordinance	1/12/2018	Cover Memo
Vacant Parcels in Corridor Mixed-Use Zones	1/12/2018	Cover Memo
Table of Rental and For-Sale Cost by Income	1/12/2018	Cover Memo
All Housing Permits City of Woodland 2000 to 2017 Nov	1/12/2018	Cover Memo

PLANNING COMMISSION
RESOLUTION NO. PC 17-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WOODLAND RECOMMENDING TO THE CITY COUNCIL APPROVAL OF AN ORDINANCE AMENDING SECTIONS 6A-1-10 THROUGH 6A-6-40 OF ARTICLES I THROUGH VII OF CHAPTER 6A OF THE CITY OF WOODLAND MUNICIPAL CODE REGARDING AFFORDABLE HOUSING

WHEREAS, it is a goal of the City of Woodland to achieve a balanced community with housing available for households with a range of income levels; and

WHEREAS, increasingly, persons of very low, low, and moderate income who work and/or live within the City are unable to locate housing at prices they can afford and are increasingly excluded from living within the City; and

WHEREAS, within infill areas of the City, there are virtually no new for-sale or rental projects, nor have there been in over a decade except for government subsidized units; and

WHEREAS, among the reported barriers to construction of infill housing is the current Inclusionary Housing Ordinance, which sets forth various requirements for the construction of affordable housing but makes it cost-prohibitive for infill housing to be built in the absence of a government subsidy; and

WHEREAS, until and unless the City of Woodland establishes a successful infill and rehabilitation market, housing affordability will not manifest in any significant amount; and

WHEREAS, the proposed ordinance would address these barriers to infill development created by the existing ordinance as well as conforms the ordinance to current market conditions; and

WHEREAS, a public notice describing the proposed amendments to the Municipal Code was published in the Daily Democrat, a newspaper of general circulation, in accordance with Government Code section 6061; and

WHEREAS, the Planning Commission held a duly noticed public hearing on January 4, 2018, and recommended to the City Council by a vote of __ to ___ approval of this Ordinance to amend certain sections of the Inclusionary Housing Ordinance; and

WHEREAS, the Planning Commission finds that this Ordinance is in general conformance with the City's General Plan and imposes reasonable regulation on development to facilitate the goals and policies of the City's Housing Ordinance in ensuring that a reasonable amount of housing affordable to all income categories be provided to the extent possible; and

WHEREAS, the Planning Commission also finds that adoption of this Ordinance will not result in any significant change in the environment within the meaning of Section 5061(b)(3) of

Title 14 of the California Code of Regulations. Projects that provide residential development are subject to independent review subject to the California Environmental Quality Act CEQA). As such the Ordinance is additionally exempt from CEQA review pursuant to Business and Professions Code Section 26055(h).

NOW, THEREFORE BE IT RESOLVED, that the Planning Commission of the City of Woodland, based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby recommend to the City Council approval of the proposed Ordinance.

PASSED AND ADOPTED by the Planning Commission this 4th day of January 2018, by the following vote:

AYES:
NOES:
ABSENT: Chairman Marco Lizarraga
ABSTAIN:

____
Kirby Wells, Vice Chairman

ATTEST:

____
Stephen Coyle, Deputy Director Community Development

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WOODLAND AMENDING SECTIONS 6A-2-10, 6A-3-20, 6A-3-30, 6A-4-10, 6A-4-30, AND 6A-4-50 AND AMENDING ARTICLES V AND VI OF CHAPTER 6A OF THE CITY OF WOODLAND MUNICIPAL CODE REGARDING AFFORDABLE HOUSING

WHEREAS, it is a goal of the City Council of the City of Woodland to achieve a balanced community with housing available for households with a range of income levels; and

WHEREAS, increasingly, persons of very low, low, and moderate income who work and/or live within the City of Woodland are unable to locate housing at prices they can afford and are increasingly excluded from living within the City; and

WHEREAS, within infill areas of the City, there are virtually no new for-sale or rental projects, nor have there been in over a decade, other than for government subsidized units; and

WHEREAS, among the reported barriers to construction of infill housing in the City of Woodland is the current Inclusionary Housing Ordinance, which requires the construction of affordable housing units and which purportedly makes construction of unsubsidized infill housing economically infeasible; and

WHEREAS, until and unless the City establishes a successful infill and rehabilitation market, housing affordability will not manifest in any significant amount; and

WHEREAS, this Ordinance would address these barriers to infill development created by the existing ordinance as well as conform the inclusionary housing requirements to current market conditions; and

WHEREAS, a public notice describing the proposed amendments to the Municipal Code was published in the Daily Democrat, a newspaper of general circulation, in accordance with Government Code section 6061; and

WHEREAS, the City of Woodland's Planning Commission held a duly noticed public hearing on January 4, 2018, and recommended to the City Council by a vote of __ to ____ approval of this Ordinance to amend certain sections of the Inclusionary Housing Ordinance; and

WHEREAS, the City Council finds that this Ordinance is in general conformance with the City's General Plan and imposes reasonable regulations on development to facilitate the goals and policies of the City's Housing Ordinance in ensuring that a reasonable amount of housing affordable to all income categories be provided to the extent possible; and

WHEREAS, the City of Woodland City Council considered this Ordinance during a duly noticed public hearing on January 16, 2018.

The City Council of the City of Woodland does hereby ordain as follows:

Section 1. **Recitals.** The above recitals are hereby adopted by the City Council and incorporated as though set forth in this section.

Section 2. **Amendments to Section 6A-2-10.** The following definitions of the terms "Affordable housing cost," "Affordable rent, and "In-lieu fees," as set forth in Section 6A-2-10 of the Woodland Municipal Code are hereby amended to read as follows, and the term "Rehabilitation" is hereby added to Section 6A-2-10 of the Woodland Municipal Code to read as follows:

"Affordable housing cost" for a purchaser means the monthly amount that is affordable to a low or moderate income household~~.~~, as applicable to the designated affordable unit. The method for calculating affordable housing costs is included in Section 6A-5-2~~3~~0 of this chapter.

"Affordable rent" means the monthly rent that is affordable to a low or very low income household, as applicable to the designated affordable unit. Affordable rent shall be calculated using fifty percent of Yolo County area median income for very low income households and eighty percent for low income households, adjusted for household size. The method for calculating affordable rent is included in Section 6A-4-40 of this chapter.

"In-lieu fees" means a fee paid to the city's affordable housing fund to ~~facilitate the construction of housing units for very low and low income households. The method for calculating in-lieu fees is included in Section 6A-5-20 of this chapter.~~ increase, improve, and preserve access to affordable housing in the City of Woodland. In-lieu fees deposited into the affordable housing fund may be used at the discretion of the City Council to make additional affordable housing loans to income-qualified purchasers to facilitate the purchase of homes, to subsidize affordable multifamily projects, or for any other use to promote the development of affordable housing within the City of Woodland. Up to ten percent of each year's income from the affordable housing fund may be used for administration and ongoing monitoring of loans made from the fund.

"Rehabilitation" means the process of improving a substandard residential unit or returning an historic residential unit to a state of utility and conformance with applicable building codes, through repair or alteration, which allows occupancy for residential use.

Section 3. **Amendment to Section 6A-3-20.** Section 6A-3-20 of the Woodland Municipal Code is hereby amended to read as follows:

Sec. 6A-3-20. - General inclusionary housing requirements.

(a) For-Sale Units in Areas within existing City limits and designated in the City's General Plan as Downtown Mixed Use, Corridor Mixed Use, and Neighborhood Commercial:

(1) ~~Ten percent of new for-sale units shall be affordable to low income households.~~ All new for-sale projects of any size developed at the maximum allowed density but at no less than 10 units per acre shall be exempt from the requirements of this chapter.

(2) ~~This requirement shall apply to all for-sale projects of at least eight units in size. Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.~~ All new for-sale projects of 40 units or less shall be exempt from the requirements of this chapter.

(3) For all new for-sale projects of 41 to 80 units, five percent of units shall be affordable to low income households.

(4) -For all new for sale projects of 81 or more units, ten percent of units shall be affordable to low income households.

(5) Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

(b) For-Sale Units in All Other Areas of the City:

(1) In projects of at least ten units, developed at the maximum allowed density but at no less than ten units per acre, five percent of new for-sale units shall be affordable to low income households.

(2) In all other projects of at least ten units in size, ten percent of new for-sale units shall be affordable to low income households.

(3) Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

(4) The city council may determine the need to implement an additional requirement for ten percent of new for-sale units to be affordable to moderate income households, based on prevailing conditions in the housing market. Such a finding would require an amendment to this chapter as well as an amendment to the Spring Lake specific plan and Spring Lake affordable housing plan.-

(c) Multifamily Rental Units in Areas within existing City limits and designated in the City's General Plan as Downtown Mixed Use, Corridor Mixed Use, and Neighborhood Commercial:

(1) Multifamily rental projects of any size developed at the maximum allowed density but at no less than ten units per acre shall be exempt from the requirements of this chapter.

(2) Multifamily rental projects of 40 units or less shall be exempt from the requirements of this chapter

(3) For all multifamily rental projects of 41 to 80 units, five percent of units shall be affordable to low income households

(4) For all multifamily rental projects of 81 or more units, five percent of units shall be affordable to low income households, and five percent shall be affordable to very low income households.

(5) Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

(d) Multifamily Rental Units in All Other Areas of the City:

(1) Ten percent of all multifamily rental units shall be affordable to low income households, and twenty percent shall be affordable to very low income households; or

(2) Twenty-five percent of the units shall be affordable to very low income households.

(3) These requirements shall apply to all multifamily rental projects of at least ~~ten~~twenty units. Calculations of required ~~to include a minimum of at least the percentages of units affordable to very low, low and moderate income households required by California Redevelopment Law, as it may be amended from time to time.~~ affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

Section 4. **Amendment to Section 6A-3-30.** Section 6A-3-30(d)(1)(B)(ii) of the Woodland Municipal Code is hereby amended to delete the requirement that affordable rental dwelling units must have identical quality and amenities as market-rate units and shall be amended to read as follows:

(ii) Affordable rental dwelling units shall be dispersed throughout the residential project and shall be visibly indistinguishable from market-rate units within any project~~,~~ ~~including identical quality and amenities as the market-rate units;~~

Section 5. **Amendment to Section 6A-3-30.** Subdivision (e) is hereby added to Section 6A-3-30 of the Woodland Municipal Code to read as follows:

(e) If the requirements of this Chapter will be met in whole or in part through the payment of in-lieu fees, the inclusionary housing agreement shall include the amount and timing of payment of any in-lieu fees to be paid as a condition of the project.

Section 6. **Repeal and Replace Section 6A-4-10.** Section 6A-4-10 of the Woodland Municipal Code is hereby repealed and replaced in its entirety to read as follows:

Sec. 6A-4-10 - Standards Applicable to Multifamily Rental Units.

(a) Percentage of Affordable Units in Areas within existing City limits and designated in the City's General Plan as Downtown Mixed Use, Corridor Mixed Use, and Neighborhood Commercial. The requirements for multifamily rental units within the areas described above shall be as follows:

(1) Multifamily rental projects of any size and developed at the maximum allowable density, but at no less than 10 units per acre, shall be exempt from the requirements of this chapter.

(2) Multifamily rental projects of less than 40 units shall be exempt from the requirements of this Chapter.

(3) Multifamily rental projects of 41 to 80 units shall make at least five percent of the units on-site affordable to and occupied by low income households and five percent of the units affordable to and occupied by very low income households.

(4) Any developer of a multifamily rental project of at least 81units shall make at least five percent of the units on-site affordable to and occupied by very low income households and ten percent of the units affordable to and occupied by low income households.

(b) Percentage of Affordable Units in All Other Areas in the City. Any developer of a multifamily rental project of at least ten units shall make at least twenty percent of the units on-site affordable to and occupied by very low income households and ten percent of the units affordable to and occupied by low income households. In the alternative, the developer may make twenty-five percent of the units affordable to and occupied by very low income households.

(c) Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

(d) Term of Affordability. All affordable rental units constructed on-site shall be permanently affordable.

(e) Requirements for Construction

(1) The affordable units shall not be segregated from the market-rate units. Clustering of affordable units is allowed only if required to facilitate the construction of the project. A developer may meet the residential project's affordability obligation by either designating specific individual units as affordable units or using a system of "floating units" where the affordable units may change. However, in either option, the residential project must always contain the required number of inclusionary units. The developer shall indicate the preferred option to the city as part of the implementation of the city's affordable housing monitoring program guidelines.

Section 7. **Repeal and Replace Section 6A-4-30.** Section 6A-4-30 of the Woodland Municipal Code entitled "Land dedication for rental projects" is hereby deleted in its entirety and replaced with the following Section 6A-4-30 Procedure for determining affordable rent, to read as follows:

Sec. 6A-4-30 - Procedure for determining affordable rent.

(a) The method for calculating the affordable rent for an inclusionary unit is shown in this section. This method shall apply to both low and very low income inclusionary units. The community development department shall review these assumptions and procedures annually and make revisions as necessary.

(b) The community development department will calculate the initial affordable rents for a residential project at the time that the units will be marketed and made available for rent. The developer is to provide information on the utilities that will be included in the rent and the utilities for which the tenants will be responsible (including the specific type of service).

(c) The following procedure will be used for determining affordable rent:

(1) Calculate Income Available for Housing.

(A) Determine the Family Size Appropriate to the Unit. For purposes of this calculation, "family size appropriate to the unit" means adjusted for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, five persons in the case of a four-bedroom unit and six persons in the case of a five-bedroom unit.

(B) Determine the household annual income maximum to use for the affordable rent calculation based on the appropriate household size using the current area median income figures for Yolo County as published by HUD. For a very low income unit, the figure for fifty percent of area median income shall be used. For a low income unit, the figure of eighty percent of area median income shall be used.

(C) Calculate the amount of monthly income available for housing costs by dividing the maximum household annual income by twelve and then multiplying the maximum household monthly income figure by thirty percent. The resulting figure shall be the household monthly income available for housing costs.

(2) Estimate Annual Housing Costs. The household allowance for utilities will be estimated based on the utility costs as shown on the current "Allowance for Tenant-Furnished Utilities and Other Services" table prepared by the Yolo County housing authority, using the applicable unit size and unit type (townhouse, garden apartment or high rise). The costs used will be based on the specifications of the particular unit and the utilities provided by the property owner, for example gas or electric for heating, gas or electric for cooking, etc. Utility tables are updated by the Yolo County housing authority every year, and shall be provided by the community development department to developers of rental residential projects in accordance with the city's affordable housing monitoring program. The maximum rental rates of affordable units shall be adjusted as necessary based on changes to these utility tables. With the approval of the community development director, a property owner may provide a utility survey, verified by the city, in place of the Yolo County housing authority's utility tables.

(3) Determine Affordable Rent. Affordable rent for an inclusionary unit is determined by subtracting applicable utility costs from the household monthly income available for housing costs. Current affordable rent levels are reviewed and, if necessary, updated by the community development department at least every year, and shall be provided to developers of rental residential projects in accordance with the city's affordable housing monitoring program requirements. The maximum rental rates of affordable units shall be adjusted as necessary based on changes to household utility allowances or Yolo County area median income levels.

Section 8. **Amendment to Section 6A-4-50**. Subdivisions (d) and (e) of Section 6A-4-50 of the Woodland Municipal Code, relating to tenant eligibility requirements for affordable rental units, are hereby added to Section 6A-4-50 to read as follows:

(d) Rental projects shall be monitored every year to review tenant incomes and rents. The community development department shall mail letters and forms to all property owners requesting information related to the affordable units, the rents charged, and the current tenants. The project owner is responsible for providing income certification forms (in a format either provided by or approved in advance by the city) to the applicable tenants and returning the completed forms to the city as required by the city's affordable housing monitoring program policies and procedures.

(e) The community development department shall review the information submitted for each residential project to make sure that the project is in compliance with its regulatory agreement. Staff will notify the project owner of any discrepancies and establish the best practice for bringing the residential project into compliance with the applicable requirements of its regulatory agreement in the timeliest manner possible. For example, the project owner may be required to rent out available vacant units within the residential project as affordable units, or rent out other units as they become available as affordable units, in order to meet the affordable units' requirement for the residential project.

Section 9. **Amendment to Section 6A-5-10** Section 6A-5-10 of the Woodland Municipal Code is hereby amended to amend subdivisions (a) and (b) to read as follows, to reletter the existing subdivision (b) to (c), and reletter the existing subdivision (c) to (d):

Sec. 6A-5-10. - Standards applicable to for-sale projects.

(a) For-Sale Units in Areas within existing City limits and designated in the City's General Plan as Downtown Mixed Use, Corridor Mixed Use, and Neighborhood Commercial:

(1) All new for-sale projects of any size and developed at the maximum allowable density, but at no less than 10 units per acre, shall be exempt from the requirements of this chapter.

(2) All new for-sale projects of 40 units or less shall be exempt from the requirements of this chapter.

(3) For all new for-sale projects between 41 to 80 units, five percent of units shall be affordable to low income households.

(4) For all new for-sale projects of 81 or more units, ten percent of units shall be affordable to low income households.

(5) Calculations of required affordable units that result in a fraction of a unit shall be rounded up to the nearest whole unit.

(b) ~~Percentage of Affordable Units.~~ For-Sale Units in All Other Areas of the City:

(1) ~~Any developer of a for-sale residential project of at least eight units shall make at least ten percent of the dwelling units affordable to and occupied by low income households, based on prevailing conditions in the housing market. As previously stated, such a finding would require an amendment to this chapter as well as an amendment to the Spring Lake specific plan and Spring Lake affordable housing plan.~~ In projects of at least ten units with density of at least 10 dwelling units per acre, five percent of new for-sale units shall be affordable to low income households.

(2) In all other projects of at least ten units in size, ten percent of new for-sale units shall be affordable to low income households.

Section 10. Renumbering of Section 6A-5-30 and deletion of Section 6A-5-20. Section 6A-5-30 related to Procedure for sale of affordable units is hereby renumbered to be Section 6A-5-20, and Section 6A-5-20 is hereby deleted in its entirety.

Section 11. Renumbering of Section 6A-5-40 to 6A-5-30 and Amendment to New Section 6A-5-30. Section 6A-5-40 is hereby renumbered to be Section 6A-5-30 and amended to read as follows:

Sec. 6A-5-30 - Homebuyer eligibility requirements for affordable units.

(a) Maximum Income Limitation. Low-income households purchasing affordable units shall have incomes that do not exceed eighty percent of the current area median income for Yolo County as adjusted for household size. ~~In the event that the developer or owner is unable to locate a qualified low-income household purchaser within ninety days, the city shall market for sixty days to households with incomes up to one hundred percent of the area median income for Yolo County as adjusted for household size. If no qualified purchaser has been identified, the city shall then market for sixty days to households with incomes up to one hundred twenty percent of the area median income for Yolo County as adjusted for household size.~~ In the event that the developer or owner is unable to locate a qualified low-income household purchaser within ninety days, the Developer shall pay the affordable housing in-lieu fee established by the City Council, such unit shall no longer be designated as an "Inclusionary Unit", and the unit shall be released from the terms of the Inclusionary Housing Agreement.

(b) Primary Residence Certification. Purchasers must certify that the home will be used as a primary residence.

(c) Rental of Affordable For-Sale Units. In the event that the developer or owner is unable to locate a qualified household purchaser within 210 days after marketing an affordable unit in accordance with the approved marketing plan, the Developer may lease the applicable unit while continuing a good faith effort to sell the affordable units. The applicable unit shall be rented to a low income household for a monthly rent that is consistent with the requirements for affordable multifamily units as set forth in Section 6A-4-30 of this Chapter. Any such lease shall be for a period not to exceed one year, and developer or owner shall continue to solicit potential buyers during the term of the lease, provided that the developer or owner shall not sell the property until the term of such lease is expired. Notwithstanding the foregoing, the owner or developer shall not lease the property under this section for a period of greater than two years, without the written agreement of the City, nor shall the unit be released from the terms of the Inclusionary Housing Agreement during or after the expiration or termination of any such lease. The owner or developer may be permitted to pay in-lieu fees to satisfy all or part of the developer's affordable housing obligation.

Section 12. **Renumbering of Section 6A-5-50, 6A-5-60, and 6A-5-70.** Section 6A-5-50 is hereby renumbered to be 6A-5-40, Section 6A-5-60 is hereby renumbered to be 6A-5-50, and 6A-5-70 is hereby renumbered to be 6A-5-60. No other changes to the text shall be made other than the renumbering.

Section 13. **Renumbering of Article VI of Chapter 6 to Article VII.** Article VI of Chapter 6, entitled Administration, is hereby renumbered to be Article VII of Chapter 6, and the Sections within Article VI shall similarly be amended and renumbered as Section 6A-7-10 and following.

Section 14. **Addition of Article VI.** Article VI is hereby added to Chapter 6 of the Woodland Municipal Code to read, in its entirety as follows:

Article VI. Alternatives to on-site construction of affordable units.

Sec. 6A-6-10 Alternative Means of Compliance
Sec. 6A-6-20 Land Dedication
Sec. 6A-6-30 In –Lieu Fees
Sec. 6A-6-40 Combination of Methods to Provide Inclusionary Housing

Sec. 6A-6-10. - Alternative Means of Compliance.

As an alternative to on-site construction of the affordable units as set forth in this chapter, the city may, at its discretion, permit the developer to satisfy the requirements of this chapter through one or more of the alternative means of compliance as described in this Article VI.

Sec. 6A-6-20. - Land Dedication.

(a) A developer may be allowed to make an irrevocable offer of dedication to the city or its designee of sufficient land to satisfy the affordability requirement under this section, if either:

(1) The developer demonstrates to the city council that it is not feasible to develop the affordable dwelling units on-site as part of the residential project; or

(2) In the judgment of the community development director, the developer's proposed land dedication would accomplish the objectives of this chapter.

(b) Dedicated sites for residential projects shall meet the following criteria:

(1) The dedicated site shall be a minimum of two acres unless the city agrees to a smaller site based on a special housing need.

(2) The dedicated site shall be economically feasible to develop, of sufficient size to build the required number of affordable units and physically suitable for development of the required affordable units prior to the dedication of the land. The city may, at its discretion, accept a dedicated site that will provide a different housing type than would be required if the affordable units were construct on-site, if in the judgment of the community development director such dedication would accomplish the objectives of this chapter.

(3) The dedicated site shall also have appropriate general plan designation and zoning to accommodate not less than the required number of units, be fully improved with infrastructure, frontage improvements (i.e., curb, gutter, walk), paved street access, utility (i.e., water, gas, sewer and electric) service connections stubbed to the property lines, and other such off-site improvements as may be necessary for development of the required affordable units or as required by the city.

(4) The value of the dedicated site shall be equal to or greater than the in-lieu fee in effect at the date of dedication for the applicable residential development multiplied by the number of otherwise required inclusionary units within the residential development.

(c) The city may approve, conditionally approve, or reject such offer of land dedication of any specific property. If the city rejects such an offer of land dedication, the developer shall be required to meet the affordable housing obligations by other means set forth in this chapter.

(d) Density Credit. In determining the amount of land to dedicate to satisfy a developer's affordable housing obligation, the developer shall receive credit for the base density of the dedicated site (e.g., twenty units per acre if the dedicated parcel is zoned R-20).

(e) Development of Dedicated Land. Within one year from the date of conveyance of the dedicated land to the city, the city shall determine, at its discretion, whether the dedicated land will be:

(1) Developed by the city to produce the required affordable dwelling units; or

(2) Conveyed to an affordable housing developer approved by the city to produce the required affordable dwelling units. The city council shall determine which affordable housing developer shall be conveyed the land required to produce the affordable dwelling units.

Sec. 6A-6-30 – In-Lieu Fees.

(a) The developer may be permitted to pay in-lieu fees to satisfy all or a part of the developer's affordable housing obligation if either:

(1) The developer demonstrates to the city council that it is not feasible to develop the affordable dwelling units on-site as part of the residential project; or

(2) In the judgment of the City Council, the payment of in-lieu fees would accomplish the objectives of this chapter.

(b) The payment amount of in-lieu fees shall be determined pursuant to an adopted fee schedule designating in-lieu fees for-sale affordable units, to be reviewed and revised as necessary on an annual basis, provided that the payment of in-lieu fees must be approved by the city council following review of the development's affordable housing plan. The city council will review a request for payment of in-lieu fees.

(c) If the city determines that the developer may contribute in-lieu fees, the developer must pay such fees as a lump sum prior to the issuance of the first building permit for the residential project. No building permit or certificate of occupancy shall be issued by the city until the developer provides written proof of the payment of all in-lieu fees.

Sec. 6A-6-40 - Combination of Methods to Provide Inclusionary Housing.

The developer of a project may propose any combination of the requirements for the construction of on-site affordable units pursuant to Article IV and V of this Chapter and/or alternative options pursuant to this Article VI in order to comply with the provisions of this Chapter. Such proposals shall be made in and considered by the City as part of the developer's application for development entitlements, and approved by the City if the City Council finds that the combined construction of affordable units and/or alternative methods of compliance provide substantially the same or greater level of affordability and the amount of affordable housing is as required pursuant to this Chapter.

Section 15. <u>Renumbering and Relettering.</u> All sections, subdivisions, and other letters and numbers in Chapter 6A of the Woodland Municipal Code that have been relettered, renumbered, or otherwise changed by this Ordinance shall similarly be amended throughout Chapter 6A and the Woodland Municipal Code wherever such numbers or letters appear.

Section 16. <u>California Environmental Quality Act Finding</u>. The City Council of the City of Woodland finds the adoption of this ordinance to be statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Regulation 15061(b)(3). Under Regulation 15061(b)(3), the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the project is exempt from CEQA. This ordinance will not affect the physical environment by permitting a new use or intensifying an existing use. Instead, the changes revise the affordable housing requirements in specific and limited areas of the City. There is no potential for the changes to result in a significant effect on the environment.

Section 17. <u>Publication</u>. The City Clerk shall certify to the adoption of this Ordinance and shall cause a summary thereof to be published in the Daily Democrat, a newspaper of general circulation, printed and published in the City of Woodland and County of Yolo, at least five (5) days prior to the meeting at which the proposed ordinance is to be adopted and shall post a certified copy of the proposed ordinance in the office of the City Clerk, and within fifteen (15) days of its adoption, shall cause a summary of it to be published, including the vote for and against the same, and shall post a certified copy of the adopted ordinance in the office of the City Clerk, in accordance with California Government Code section 36933. This Ordinance shall take effect thirty (30) days after its adoption.

PASSED AND ADOPTED by the City Council on _______, 2018 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

____
Enrique Fernandez, Mayor

ATTEST:

____
Ana Gonzalez, City Clerk

APPROVED AS TO FORM:

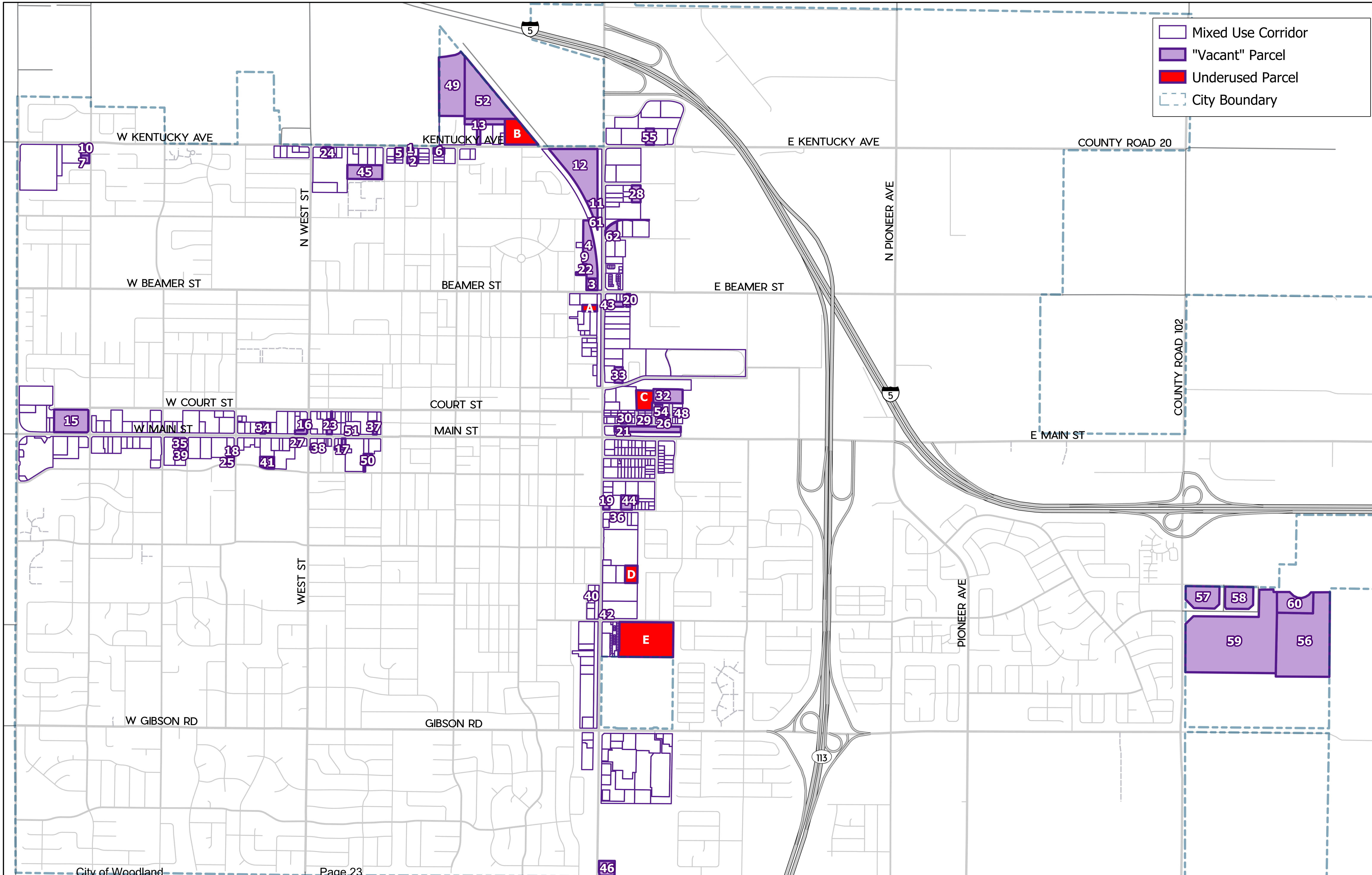
____
Kara K. Ueda, City Attorney

Vacant Parcels in Corridor Mixed-Use Zones 1/12/2018

MapID	Address	OwnerName	LotAcres	LotSqFt	LastSaleAmount	LastSaleDate	Zone	# Units/20 DUA
1	300 KENTUCKY AVE	KNAGGS COMMERCIAL PROPERTIES	0.17	7579			CMU	3
2	326 N WALNUT ST	LOZA BLANCA ESTELA JAIME	0.25	10890				5
2	324 N WALNUT ST	SALAZAR HORTENCIA J	0.26	11325				5
3	1021 BEAMER ST	BURKS BERNARD	0.96	42000				19
4	0 NO ADDRESS	WOODLAND CITY OF	4.82					96
5	0 NO ADDRESS	WILSON BILL & SHIRLEY FAM REV TRUST	0.48	20857				`
6	334 FREEMAN ST	KENTUCKY AVE CHURCH OF CHRIST	0.46	21780				9
7	0 NO ADDRESS	WOODLAND CITY OF	0.49					10
8	0 NO ADDRESS	DYER JEFFREY E & WING-DYER JAN	0.24	2387				5
9	0 NO ADDRESS	WOODLAND CITY OF	0.08					2
10	340 W KENTUCKY AVE	WOODLAND CITY OF	0.67	33660				13
11	0 NO ADDRESS	SAH RAM N & B DEVI & SAH 1993 TRUST	1.12	50965				22
12	1000 KENTUCKY AVE	SAH 1993 TRUST	10.80	494841				216
13	575 KENTUCKY AVE	NORTH KENTUCKY PARTNERS II GP	2.18	91911	$ 235,000	3/20/2013		44
14	0 NO ADDRESS	WOODLAND CITY OF	0.05					1
15	310 W MAIN ST	YKI INVESTMENTS LLC	5.82	251777	$ 1,300,000	12/24/2014		116
17	419 GRAND AVE & 419 1/	SF EDISON PARTNERS	0.21	9000	$ 4,525,000	12/16/2016		4
18	0 NO ADDRESS	MCCANDLESS 2017 FAM TRUST	0.48	18774				10
19	613 EAST ST	WOODLAND MOSQUE & ISLAMIC CENTE	0.28	12109	$ 900,000	6/12/2015		6
20	1216 E BEAMER ST	LOPEZ ROBERTO & ELSA	0.36	15681				7
21	1 NO ADDRESS		2.75					55
22	0 NO ADDRESS	WOODLAND CITY OF	0.08					2
23	9 MAIN ST	MOULATS FAM REV TRUST	0.65	27710				13
24	22 KENTUCKY AVE	OCHOA GABRIEL	0.63	27465	$ 219,000	3/15/2016		13
25	448 CALIFORNIA ST	WALLACE KENNETH L & WALLACE KENNI	0.29	12632				6
26	1237 ARMFIELD AVE	RIVERA EUSEBIO & LUZ	0.13	5750				3
27	29 W MAIN ST	SHAMI VALLEY WEST LLC	0.29	12460	$ 4,800,000	9/13/2017		6
28	1 NO ADDRESS	RED DOT PROPERTIES LLC	1.11	48351	$ 150,000	7/20/2012		22
29	1225 ARMFIELD AVE	ORTIZ JESSE JR	0.53	23000				11
30	1211 ARMFIELD AVE	ZENDEJAS JIMMY	0.26	11500				5
31	301 C ST	MASON SISTERS TRUST	0.10					2
32	1 NO ADDRESS	YOLO COUNTY OF	3.03	132858				61
33	1 NO ADDRESS	OAK COURT PARTNERS LLC ETAL	0.94	40946				19

Vacant Parcels in Corridor Mixed-Use Zones 1/12/2018

34	80 W MAIN ST	GILLETTE TRUST	0.42	18203				8
35	0 NO ADDRESS	VILLALOBOS LIVING TRUST	0.28	12350				6
36	615 EAST ST	WOODLAND MOSQUE & ISLAMIC CENTE	0.28	12196	$ 900,000	6/12/2015		6
38	417 WEST ST	SHARMA 2008 LIV TRUST	0.21	9130		3/25/2014		4
39	0 NO ADDRESS	ORRICK JOINT VENTURE LP	0.35					7
40	821 PACIFIC ST	LICEA CELENI ETAL	0.14	6000				3
41	60 W LINCOLN AVE	LINCORP INVEST GROUP LLC	1.20	52098	$ 500,000	2/16/2016		24
42	845 EAST ST	JOSHI LIV TRUST	0.49	14810				10
43	25 EAST ST	ANDRADE SOTERO & VELASQUEZ ANTHO	0.68	39892				14
44	1237 E OAK AVE	WOODLAND MOSQUE & ISLAMIC CENTE	1.52	67082	$ 900,000	6/12/2015		30
45	0 NO ADDRESS	ST JOHNS RETIREMENT VLG INC	3.68	159865				74
46	19435-57 EAST ST	FORREST FAM TRUST	1.81	83199				36
47	318 D ST	RUPORT MINNIE E ETAL	0.07					1
48	315 1/2 D ST	OLVERA ARLENE R TR	0.10					2
49	0 NO ADDRESS	NORTH KENTUCKY PARTNERS II	14.60	629877				292
50	0 NO ADDRESS	ST JOHNS UNITED CHURCH CHRIST	0.79	34427				16
51	116 MAIN ST	SF EDISON PARTNERS	0.21	8988	$ 4,525,000	12/16/2016		4
52	0 NO ADDRESS	NORTH KENTUCKY PARTNERS II	12.36	539708				247
53	313 C ST	LOPEZ ALFREDO SANCHEZ	0.14	6273				3
54	309 C ST	HILL FAM TRUST	0.14	6250				3
55	1219 E KENTUCKY AVE	THOMSON TRUST ETAL	1.00	43560				20
57 to 60		WOODLAND DEVELOPMENT CO II LLC						-
62	1203 COMMERCE AVE	LOPEZ ALBERTO & ERICA	1.01	40512	$ 215,000	6/30/2016		20
		Totals	**82**	**3,222,628**	**$ 19,169,000**			**1,640**
	Underutilized Parcels							
A	0 NO ADDRESS	HORN RICHARD J & SUSAN C	0.71	30491				14
B	801 KENTUCKY AVE	PIONEER SELF STORAGE L P	4.41	178596	$ 800,000	5/14/2008		88
C	302 C ST	RIVERA EUSEBIO & LUZ M	2.46	107593	$ 175,000	1/26/2010		49
D	797 EAST ST	WOODLAND BUSINESS CENTER LLC	1.62	70436				32
E	1300 E GUM AVE	40TH DISTRICT AGRI	14.14					283
								-
		Totals	**23**	**387,116**	**$ 975,000**			**467**


Mixed Use Corridor
"Vacant" Parcel
Underused Parcel
City Boundary
W KENTUCKY AVE
KENTUCKY AVE
E KENTUCKY AVE
COUNTY ROAD 20
N WEST ST
N PIONEER AVE
W BEAMER ST
BEAMER ST
E BEAMER ST
COUNTY ROAD 102
W COURT ST
COURT ST
W MAIN ST
MAIN ST
E MAIN ST
WEST ST
PIONEER AVE
W GIBSON RD
GIBSON RD
5
113
A
B
C
D
E

Estimate Monthly Dwelling Unit
Mortgage or Rental Cost and Purchase Price by Income

Income Level ((expressed as % of are median income)	Income Amount	Household Size (persons)	Monthly Mortgage or Rent Supported at 30% of Gross Monthly Income	Interest Rate for 30-Year Fixed Mortgage (estimate)	Home Purchase that can be supported (assumes 5% down payment)	Home Purchase with purchaser's 20% down payment
20%	$ 14,932	4	$373			
40%	$ 29,875	4	$747			
60%	$ 44,820	4	$1,121	3.80%	$253,129	$300,591
80%	$ 59,750	4	$1,494	3.80%	$337,449	$400,721
90%	$ 67,219	4	$1,680	3.80%	$379,632	$450,812
100%	$ 74,688	4	$1,867	3.80%	$421,814	$500,904
110%	$ 82,156	4	$2,054	3.80%	$463,991	$550,989
120%	$ 89,625	4	$2,241	3.80%	$506,174	$601,081

Notes:

1. Income amounts above 80% of area median income are estimated as U.S. Dept. of Housing and Urban Development does not calculate amounts above 80%.

2. Monthly mortgage amounts only cover principal and interest. Other monthly expenses may include property taxes, assessments, property insurance, and private mortgage insurance (private mortgage insurance is triggered when down payment is less than 20% of home's purchase price.)
3. An estimate is used for a 30-year fixed interest mortgage since rates will vary.

PERMITS BY CALENDAR YEAR FOR SINGLE AND MULTI-FAMILY HOUSING

PERMIT TYPE	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	TOTAL
NOT SPRING LAKE SINGLE FAMILY HOMES ISSUED	19	88	235	283	178	31	25	84	20	1	4	22	43	15	6	11	3	12		1080
NOT SPRING LAKE MULTI FAMILY ISSUED # OF UNITS	0	125	0	156	56	35	5	0	0	0	0	0	0	0	0	0	0	87		464
NSL TOTALS	19	213	235	439	234	66	30	84	20	1	4	22	43	15	6	11	3	99	0	1544
SPRING LAKE SINGLE FAMILY HOMES ISSUED	0	0	0	0	0	109	296	268	169	121	3	39	29	82	122	141	267	96		1742
SPRING LAKE MULTI FAMILY ISSUED # OF UNITS	0	0	0	0	0	0	156	0	0	6	37	0	0	62	0	0	0	0		464
SL TOTALS	0	0	0	0	0	109	452	268	169	127	40	39	29	144	122	141	267	96	0	2003
TOTAL CITY WIDE SINGLE FAMILY	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2822
TOTAL CITY WIDE MULTIFAMILY	0	125	0	156	56	35	161	0	0	6	37	0	0	62	0	0	0	87	0	928
TOTAL CITY WIDE ALL HOUSING	19	213	235	439	234	175	482	352	189	128	44	61	72	159	128	152	270	195	0	3547

	2000 to 2017	2006 to 2017
TOTAL ALL SINGLE FAMILY	2822	2450
TOTAL MULTI-FAMILY (UNITS)	928	556
TOTAL N0N-SUBSIDIZED MULTI-FAMILY (UNITS)	35	0