

DATE:	APRIL 18, 2017	
DEPARTMENT:	COMMUNITY DEVELOPMENT DEPARTMENT	
FROM:	MEGAN HUNTER, COMMUNITY DEVELOPMENT DIRECTOR	
BY:	THOMAS WILES, SENIOR PLANNER	
TITLE:	ZONING CODE AMENDMENT 2017-001	

#### **RECOMMENDED MOTION:**

A motion to adopt the attached ordinance amending various provisions of Chapter 37 of the Salinas Municipal Code (Zoning Code).

#### **RECOMMENDATION:**

Staff recommends that the Council adopt the attached ordinance approving Zoning Code Amendment 2017-001. The proposed amendment would remove the bedroom mix requirements for residential development in the Central City Overlay and correct two (2) minor typographical errors.

#### EXECUTIVE SUMMARY:

The following table summarizes the proposed changes to the Zoning Code:

Zoning Code Section	Brief Description of Proposed Change
37-40.320, Development Regulations,	Remove the bedroom mix requirement for residential development by adding an exception, a new subsection (d), to Zoning Code Section 37- 40.320 for properties located within the Central City Overlay, no longer requiring a minimum of 20% of units to be three (3) bedroom units and 10% to be four (4) bedroom units.
37-30.170, Table 37-30.80, Footnote (B)	Change footnote error in the minimum density requirement in the Residential High Density (R-H) District section from "eight" to "fifteen" dwelling

	units per net acre for General Plan and Zoning Code consistency.
37-30.310, Table 37-30.130, Footnote (8)	Change footnote error from "our" to "four" to clarify the number of affirmative votes required by the Planning Commission to automatically forward a request for a "Warehousing limited" use to the Council for consideration.

# BACKGROUND:

Chapter 37, Article VI, Division 14 provides for a process whereby all Zoning Code Amendments are brought to the City Council for consideration after a recommendation by the Planning Commission.

On April 5, 2017, after public review and comment, the Planning Commission voted 7-0 to approve Planning Commission Resolution 2017-03 recommending that the City Council adopt the attached ordinance amending various provisions of Chapter 37 of the Salinas Municipal Code (see Planning Commission review section of this report for further discussion).

### DISCUSSION:

# Removal of the Bedroom Mix Requirement from the Central City Overlay

The proposed amendment would amend Zoning Code Section 37-40.320, (Development Regulations) to add an exception removing the bedroom mix requirement for residential developments located in the Central City Overlay, which includes both the Downtown Neighborhood Area and Downtown Core Area (see attached map). This exception would be limited to properties located in the Central City Overlay only.

The removal of the bedroom mix requirement for residential developments in the Central City Overlay supports the goals and policies of the City's draft Economic Development Element (EDE) and the implementation recommendations of the Downtown Vibrancy Plan (DVP). The DVP identifies market rate housing as an economic driver and key component of a vibrant downtown. This amendment will remove barriers to residential development in the downtown by allowing the shifting market demands of entry-level homebuyers, millennials, and empty nesters to be the driver of housing product type mix. The proposed amendment will not have the effect of reversing policies of the Salinas General Plan.

City staff recently received a preliminary request to convert an existing two-story office building located at 401 Monterey Street into a multifamily dwelling project with a density bonus consisting of 16 studio units. The project site is located in the Central City Overlay – Downtown Neighborhood Area. For properties located in the Downtown Neighborhood Area of the Central City Overlay, the development standards of the base Zoning District, which in this case is Commercial Office (CO) currently apply. For residential developments within the CO District, the Zoning Code refers to the R-H-2.1 (Residential High Density) District, which includes the

bedroom mix requirement. The subject proposal does not meet the required bedroom mix. The proposed amendment would allow this project to utilize the proposed exception to the bedroom mix requirement and thus facilitate the adaptive reuse of said building into residential units.

# Correction of Typographical Errors in the Zoning Code

The proposed amendment would also correct two typographical errors found in the Zoning Code as follows:

Zoning Code Section 37-30.170 (Development Regulations), Table 37-30.80, Footnote (B) of the Residential High Density (R-H) District currently states that "the minimum density requirement shall be more than *eight* units per net acre..." However, both the General Plan and the Zoning Code purposes of the R-H District state that the minimum density in the District is "more than fifteen dwelling units per net acre". The proposed amendment would amend Footnote (B) from "eight" to "fifteen" dwelling units per net acre to ensure consistency with the minimum density requirements of both the General Plan and Zoning Code.

Zoning Code Section 37-30.310 (Use Classifications), Table 37-30.130, Footnote (8) for Warehousing, limited uses states that "...Any CUP application receiving an affirmative vote of *our* members of the planning commission shall automatically be set for hearing for a final determination by the city council." The term "our" as contained in the above-referenced sentence is an error. The correct term should be "four." The requirement for four (4) affirmative votes of the planning commission is correctly worded in other applicable sections of the Zoning Code. The amendment would amend this section (Footnote 8) from "our" to "four" to reflect the correct number of affirmative votes required for such uses and ensure consistency with other applicable sections of the Zoning Code.

# Planning Commission Review:

On April 5, 2017, after public review and comment, the Planning Commission voted 7-0 to approve the attached Planning Commission Resolution 2017-03 recommending that the City Council introduce and then adopt the accompanying ordinance amending various provisions of Chapter 37 of the Salinas Municipal Code (Zoning Code). During the hearing, concerns were raised by the public and Commissioners regarding the impact that may occur with the amendment on the affordability of housing. Concerns were also raised that the scope of the amendment should be limited to the Downtown Core Area of the Central City Overlay. Staff responded that removing the bedroom mix requirement in the entire Central City Overlay would be consistent with the mixed-use character of the Overlay, provide additional residential units, and assist in the adaptive reuse of existing buildings (such as 401 Monterey Street). The Planning Commission requested that if the Zoning Code Amendment is adopted by the City Council that staff provide a follow-up status report on the effects of the amendment in the future.

# CEQA CONSIDERATION:

This City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15305 (Minor Alterations in Land Use Limitations),

Class 5) because the project proposes minor changes to the Salinas Zoning Code. The proposed Zoning Code Amendment is a legislative act and is not subject to the Permit Streamlining Act (PSA).

### STRATEGIC PLAN INITIATIVE:

The proposed Zoning Code Amendment will assist the City Council's goals of Economic Diversity and Prosperity and Well Planned City and Excellent Infrastructure by removing the bedroom mix requirements within the Central City Overlay to facilitate and promote the production of housing in the downtown.

#### FISCAL AND SUSTAINABILITY IMPACT:

No significant impacts to the City's General Fund are anticipated with the proposed Zoning Code Amendment.

### ATTACHMENTS:

Draft Ordinance Planning Commission Staff Report dated April 5, 2017, w/o exhibits Planning Commission Resolution 2017-03 Map of the Central City Overlay