

C4 - Downtown estimate under existing plans and zoning - with 1-2 story buildings

D2 - Downtown estimate under existing plans and zoning - with 3+ story buildings

and a policy option alternative provided with:

E11 - Downtown estimate under density and Floor Area Ratio (FAR) increases

Study area defined. This study area used for the Downtown is based on the map of the Core Area provided by the city's Core Area Specific Plan (Attachment 1), excluding the blocks included in the Third and B Streets Visioning Plan that are projected in Site F5. The Core Area generally includes from A to H Street (west to east) and from First to Fifth Streets (south to north) with the addition of the following areas:

- The blocks from G Street to H Street and from Fifth Street up to Eighth Street, including the east half of the blocks from F Street to G Street and from Fifth Street to Seventh Street
- The west half of the blocks from H Street to I Street and from Third Street to Fifth Street

Projection for Sites C4 and D2. Under existing zoning, buildings with one or two stories are permitted within the Downtown. Buildings with three stories or greater require approval of a conditional use permit. Although there is not a maximum height limit in the Downtown, there is a density cap of 30 dwelling units per acre and a floor area ratio (FAR) maximum of 40 percent. Actual residential unit development could vary dependent upon whether units are built in an all residential projects or mixed use projects. Current trends have included scattered one to two unit projects and mixed-use development, with a new project every 1-2 years that typically includes five to eight residential units. Developer interest has been steady in recent years. Future interest will hinge on construction costs and market demand, but there are local developers that have found their niche in mixed-use development downtown. Given the financial feasibility, developer/owner interest, and historical trends, staff finds that an estimate of 52 units through 2013 is a reasonable projection.

Basis.

Financial feasibility: Construction costs have increased in recent years, in most projects exceeding costs of \$200 per square foot. This is true also of downtown development, where there are often additional costs including demolition, parking,

and costs of vertical development.

Developer/owner interest: As stated above, the City has seen steady occurrence of mixed use projects in downtown from local developers. Additionally, residents within the core-commercial and mixed-use areas have consistently applied to increase residential units on their property. Some local developers have identified opportunities for in-fill projects in the Downtown due to reduced availability of vacant parcels for residential development.

Historical trends: The following chart uses historic trends for downtown development, and overall downtown development capacity (based on existing underutilized sites) to estimate projections for residential unit construction through June 2013. The historical data was gathered for the period from January 2000 through June 2007, in order to obtain data from a 7.5 year period consistent with the length of the Housing Element planning period. The projected number of units for C4 (20 units) is based on historical unit production within projects with buildings of two stories or fewer that did not require a conditional use permit. The projected number of units for D2 (32 units) is based on historical unit production within projects that did require a conditional use permit. The projected units total 52 units after combining the projections for Site C4 and Site D2.

Site/ Option	Site C4: Projected units based on actual units built from January 2000 to June 2007 in projects of 2 stories or fewer (no CUP)	Site D2: Projected units based on actual units built from January 2000 to June 2007 in projects of 3 stories or greater (CUP required)
Characteristics	<ul style="list-style-type: none"> • Height up to 2 stories • Density at or below 30 du/acre is maximum net density 	<ul style="list-style-type: none"> • Height 3 stories or greater (with CUP) • Density at or below 30 du/acre is maximum net density
Total Underutilized Properties	14.54 acres	14.54 acres
Residential Density	Up to 30 du/acre	Up to 30 du/acre
Total Capacity for Residential Units	436 units	436 units
Projected Units for January 2006 to June 2013	20 units	32 units
TOTAL PROJECTION	52 units (12% of overall capacity)	

Staff assumptions.

No additional incentives or changes in zoning to facilitate greater interest in residential development downtown. There is no greater likelihood of more units being constructed than what has been constructed historically.

Committee member notes/comments.

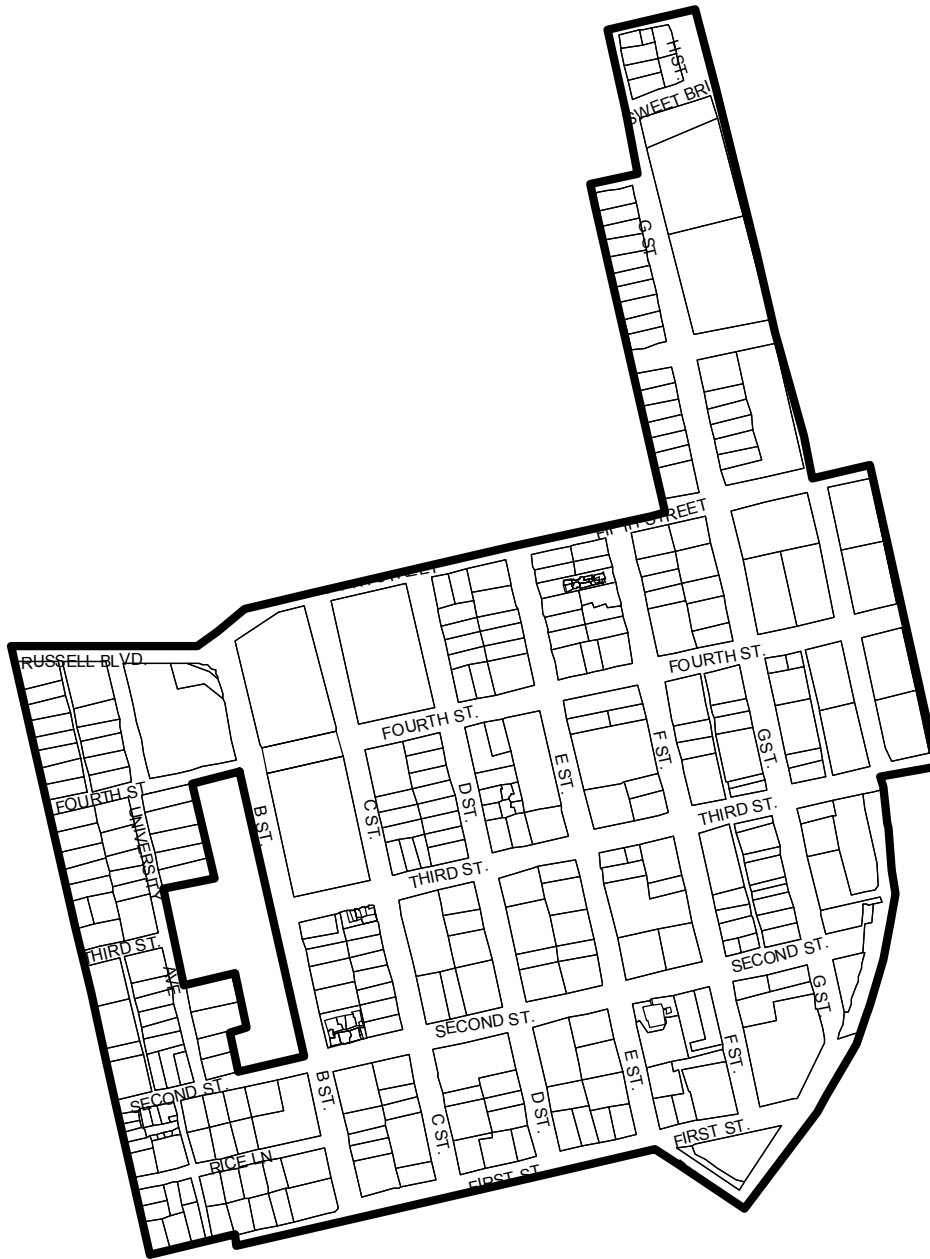
Policy Option Alternative: E11 - Downtown estimate under density and Floor Area Ratio (FAR) increases


If the Steering Committee wanted to pursue increasing the capacity and basis for the development of residential units in the Downtown, increases to the Core Area Specific Plan’s current density maximum and/or Floor Area Ratio (FAR) cap for Multifamily projects east of B Street could be explored while leaving all other zoning standards in place (setbacks, lot coverage, open space, etc). The current FAR cap, that limits the percentage of total square footage to the size of the parcel, is currently 40 percent. The density maximum is currently 30 dwelling units per acre. If these standards were increased to allow for more density, perhaps up to 40 dwelling units per acre, capacity for Downtown residential development would increase. Based on an estimate that approximately 14.54 acres are currently underutilized in the Downtown, a density of 40 to 50 dwelling units per acre would yield capacity for 582 to 727 units Downtown (in comparison to the current 436 unit capacity). With historical trends showing that approximately 12% of available capacity has been developed within the last 7.5 year planning period, staff estimates that a reasonable projection under this policy option alternative would be 70 to 87 units being developed through June of 2013. This is a net increase of 18 to 35 units over the projection for Sites C4 and D2 above, under the downtown’s existing zoning and General Plan limits. If chosen, staff would recommend using the higher estimate for the local 1% policy goal, but would prefer using the C4 and D2 projections in addressing the City’s RHNA since the historic data makes those numbers easily justifiable to HCD.

Site/ Option	Site E11: Estimate assuming General Plan amendments to increase allowable height and density (remove CUP requirement)
Characteristics	<ul style="list-style-type: none"> • Height 3 stories or greater • Density of 40-50 du/acre is maximum net density
Total Acres Available for Development	14.54 acres
Residential Density	Up to 40-50 du/ acre (High Density)
Total Capacity for Residential Units	582 to 727 units
Projected Units for January 2006 to June 2013	70 to 87 units (based on ratio of historical downtown development to capacity for units)

Attachment 1

Project Area used for Downtown Projections



 3rd and B Streets Rezoning Area (excluded from the projection)



0 800 1600 Feet

November 1, 2007