

## STAFF REPORT

**DATE:** April 11, 2018

**TO:** Planning Commission

**FROM:** Ashley Feeney, Director of Community Development & Sustainability  
Katherine Hess, Community Development Administrator

**SUBJECT:** West Davis Active Adult Community – Planning Application #16-56: General Plan Amendment #05-16, Rezoning/PPD #03-16.

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### **Recommendation**

Staff recommends the Planning Commission hold a public hearing on the project applications, with

- a. Staff presentation on applications and public review process;
- b. Public testimony; and
- c. Deliberation and a recommendation that the City Council certify the Environmental Impact Report and approve the following project applications:
  - i. General Plan Amendment, including provisions for Baseline Project Features as required by Chapter 41 of the Davis Municipal Code;
  - ii. Rezoning and Preliminary Planned Development; and
  - iii. Development Agreement.

This report is organized into the following sections:

- I. Recommendation
- II. Executive Summary
- III. Project Description (page 1)
- IV. Analysis, including Advisory Commission Recommendations (page 5)
- V. Environmental Review (page 17)
- VI. Conclusion (page 18)

### **I. Executive Summary**

The project is entitlement for development of a 75-acre, 560-unit community north of Covell Boulevard, directly west of Sutter-Davis Hospital. The development would be predominantly, but not completely, age-restricted. The majority of the units would be restricted to householders aged 55 and over.

Staff has presented the project to advisory commissions (twice each) and conducted environmental and policy analysis of the proposal. A few policy issues that warrant highlight to the Planning Commission are discussed in this report and summarized below.

- Age Restrictions. This would be the first active adult subdivision entitled in the City of Davis. The majority of the project reflects an 80:20 concept, with 80% of the for-sale

units restricted to occupancy with a householder aged 55 and older. The remaining 20% (approximately 77 single-family units) would be unrestricted. The application also includes 150 affordable apartments for seniors (anticipated to be limited to occupancy by persons aged 62 or older). Staff supports the 80:20 concept as a mechanism for supporting an intergenerational neighborhood while providing housing of a type requested by empty nesters. The City has needs for many types of affordable housing, including affordable housing for seniors. Staff continues to explore whether alternatives to senior-only affordable housing should be considered.

- Density. The overall density of the development is 7.5 units per gross acre. Densities in individual subareas range from 8.1 units per net acre (small builder lots) to 40.4 units per net acre (affordable apartments). This is lower than a density that would be desirable in a more central location. However, staff has concluded that the density is appropriate for the target demographic and this location on the edge of the community, given that the project also provides internal greenways and an agricultural buffer, a mixed-use component, and gathering areas.
- Connectivity. The site is challenged for access because it has Covell Boulevard, a major arterial, on the the southern frontage and agricultural lands to the north and west. The project provides extensive aesthetic and safety improvements to Covell Boulevard, including reconstruction of the Covell/Shasta/Risling to conform with city standards, remove the free right movements, and shorten the distance for pedestrians and cyclists crossing Covell and Risling. These improvements will serve residents of WDAAC and current West Davis residents accessing the hospital or Covell Boulevard bus stops. Space for a landing to accommodate a ped/bike crossing of SR-113 is also provided, should that be proposed in the future. Staff finds the improvements to be an overall community benefit, and adequate to serve the needs of WDAAC residents.

## **II. Project Description**

The requested applications would grant land-use entitlements to allow the 74-acre unincorporated property to be annexed to the City of Davis and developed as a residential mixed-use subdivision, primarily for active adults and seniors.

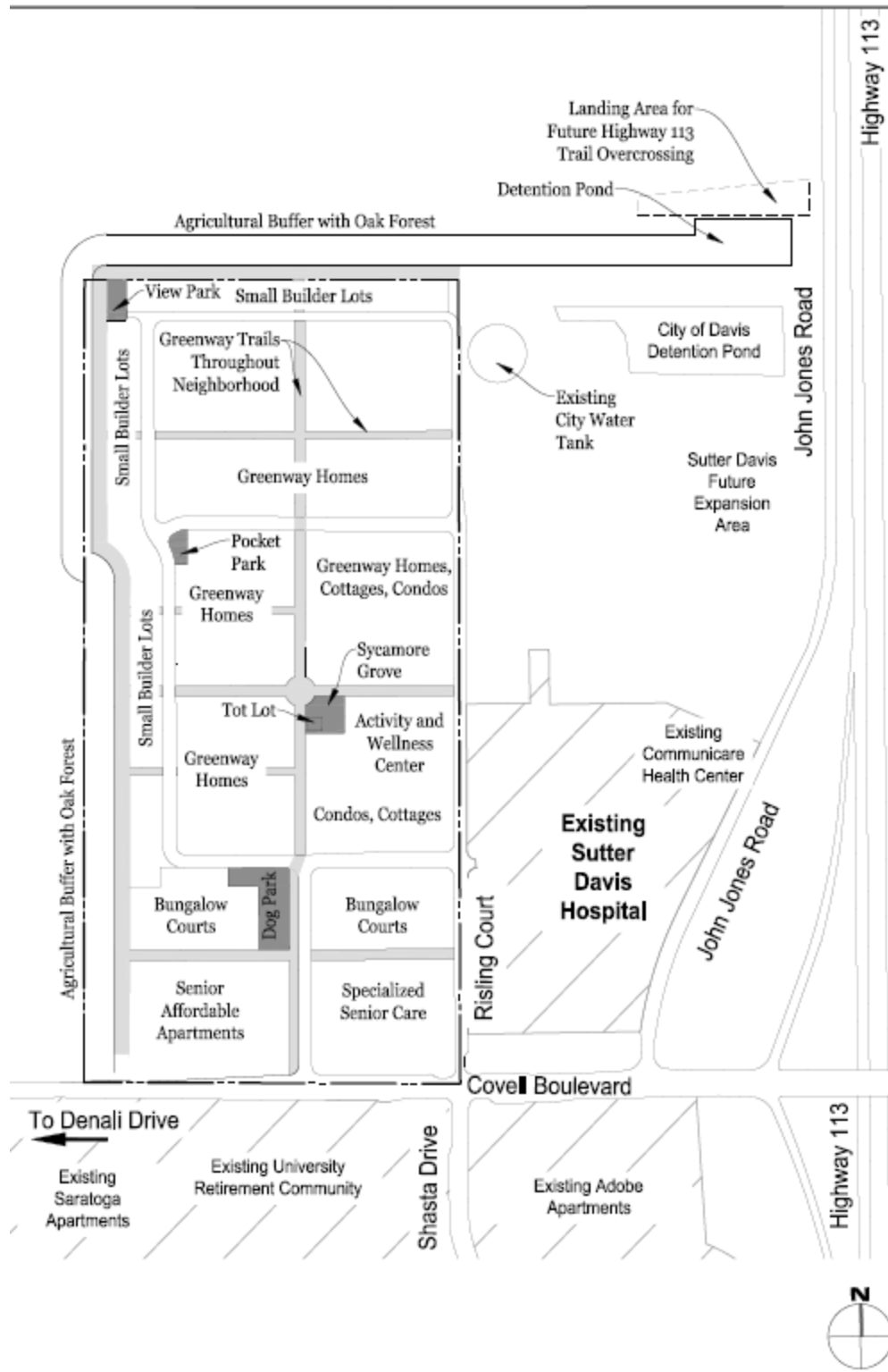


Figure 1 Baseline Project Features



The West Davis Active Adult Community project includes

- 150 affordable, age-restricted apartments;
- 32 attached, age-restricted cottages;
- 94 attached, age-restricted units;
- 129 single-family detached, age-restricted units;
- 77 single-family detached, non-age-restricted units;
- An approximately three-acre continuing care retirement community site, which would likely contain 30 assisted living, age-restricted detached units;
- An approximately 4.3-acre mixed use area, which would likely consist of a health club, restaurant, clubhouse, and up to 48 attached, age-restricted units;
- Dog exercise area and tot lot; associated greenways,
- Drainage, agricultural buffers; and off-site stormwater detention facilities.

Upon completion of the project, the approximately 74-acre site would provide up to 560 dwelling units and 4.5 miles of off street biking and walking paths within the project area and an additional 0.22 miles of off street biking and walking paths offsite.

Primary vehicular access is proposed through the intersection of Covell Boulevard, Risling Court, and Shasta Drive. Secondary (right-in, right-out) access would be provided through a new intersection with Covell Boulevard west of Risling. The project includes extensive modifications to the Covell/Risling/Shasta intersection and aesthetic and safety improvements on Covell Boulevard from the SR-113 off-ramp to the west edge of the project.

The project requires a General Plan Amendment and Prezoning/Rezoning. Because the property would be re-designated from Agriculture to urban uses, voter approval would be required under Measure R (Municipal Code Chapter 41). The proposed General Plan Amendment establishes Baseline Project Features. Additional City and developer commitments, including provisions for affordable housing, are included in the Development Agreement.

If the project is approved by the City Council and ratified by the voters, setbacks and other development standards would be established in the Final Planned Development, consistent with the Zoning Ordinance and City practice. The Final Planned Development would return to the

Planning Commission with the Site Plan and Architectural Review application for the project, and verified for consistency with the Planned Development and Baseline Project Features.

### **III. Analysis, Including Advisory Commission Recommendations**

The main analysis in this staff report includes recommendations from advisory commissions, public comment, and staff review of the residential development concept. The application was presented for advisory commission review prior to being scheduled for this hearing, with the goal of garnering recommendations to be considered by Planning Commission and City Council as part of their deliberations. Commission minutes, if available, are included in Attachment 6. Highlights of commission comments are included below, by topic area.

This section is organized by the following topics

1. General Plan consistency, suitability of site for development, and need for housing, particularly for housing to serve active adults
2. Connectivity
3. Agricultural preservation, agricultural buffer, and habitat
4. On-site open space and recreational land
5. Subdivision design and “feel”
6. Affordable housing
7. Sustainability
8. Development Agreement provisions
9. Fiscal impacts

#### **1. General Plan consistency, suitability of site for development, and need for housing, particularly for housing to serve active adults**

##### Commission comments:

- Overall density: Should be higher; compare to Rancho Yolo (PC)
- Do we want to provide senior-only housing, given all needs? (PC)
- Need to provide legal support for preference program. (PC)
- Encourage looking at intensifying density by increasing number of units on the property, such as additional stacked flats and more building stories. (NRC)
- Support for project and find general consistency with Guidelines for Housing that Serves Senior Citizens and Persons with Disabilities. (SCC)
- Find that the project could help meet internal housing needs, in particular, housing needs of seniors. (SCC)

##### General Plan policy guidance:

- Recognize that the edge of the urbanized area of the City depicted on the land use map under this General Plan represents the maximum extent of urbanization through 2010, unless modified through the Measure J process. (LU 1.1)
- Create and maintain a social and service environment supportive of seniors. (Goal HS 4)
- Encourage a variety of housing types that meet the housing needs of an economically and socially diverse Davis. (HOUSING 1.1)

- Encourage a variety of housing types that accommodate persons with disabilities and promote aging in place, including a requirement of 100 percent Universal Access features in all new single-family residential units not otherwise subject to multi-family building code requirements. (HOUSING 1.5)
- Encourage a variety of housing types and care choices, as well as housing innovation, for seniors. (HOUSING 1.9)
- Encourage senior housing in all parts of Davis and near neighborhood centers, shopping centers, public transportation, and/or parks and greenbelts where compatible with existing uses. (HOUSING 4.4)

Staff also notes the following two General Plan visions:

- Maintain Davis as a cohesive, compact, university-oriented city surrounded by and containing farmland, greenbelts, natural habitats and natural resources.
- Preserve and create an array of distinct neighborhoods so that all residents can identify a neighborhood that is “home” for them.

#### Housing Element Steering Committee Recommendations

The 2008 City Council Resolution on the Housing Element Steering Committee Recommendations considered development of this property as part of the then-called “Parlin” site, with on-site ag mitigation. The Council resolution identified the property as a “Red-Light” site, not recommended for residential development prior to 2013. (see Attachment 6). The Steering Committee’s recommendation was for 389-604 medium-density residential dwelling units (assuming 36 residential acres).

The Council resolution noted impacts to agriculture land, habitat, and scenic resources. These are addressed in the WDAAC EIR (see Environmental Review section of this report). Distance to community facilities and downtown was also noted. The report balanced those comments with consideration of the site’s proximity to the hospital, schools, parks, and shopping and the easy vehicular access to Covell Boulevard and H-113.

The resolution also included three recommended land use and design considerations:

- A. The costs and responsibilities of the required major sewer trunk line must be determined.
- B. Adequate fire response must be considered.
- C. Details for the ag mitigation are needed including the conditions of the mitigation and the established legal structure for maintaining open space uses, including ag mitigation.

These considerations have been evaluated in the environmental review for the project. Agricultural mitigation is discussed in the “Agricultural preservation, agricultural buffer, and habitat” section of this report.

#### City 1% Growth Cap.

Resolution #08-019 of 2008 updated the 1% growth cap guideline established by City Council, which was amended in Resolution #11-077 of 2011. The Resolution establishes a residential growth cap of 1% per year, or approximately 260 “base” units. Affordable housing, units in vertical mixed-use buildings, and accessory dwelling units are exempt from the cap. Additionally, the City Council may approve an infill project that provides for a particular

community needs with extraordinary community benefits, even if it would cause an exceedance of the annual growth guideline of 1%.

On April 3, 2018, a Residential Development Status Report staff report was given to City Council. The report forecasted potential residential development to ensure that the 1% growth cap is not exceeded and to determine if different directions should be taken in terms of amount and types of housing. The report estimated that building permits might be issued for approximately 984 total potential residential units in the next five calendar years between 2018 and 2022. This total includes approved and proposed projects being considered, but did not include development of the WDAAC or Nishi proposals. After excluding units that are specifically exempted by the growth cap resolution (i.e., affordable units, units in vertical mixed-use buildings, and accessory dwelling units), the estimate is reduced to 771 units over the five calendar years. This equals to an annual average of 154 units or an annual average of approximately 0.6% growth.

Staff has concluded that development on the Nishi property, if approved by the voters, should be considered to be an infill project providing extraordinary community benefits and therefore not included in the growth cap assessment. Assuming a three-year buildout of the 410 non-exempt units proposed for the WDAAC, the project would generate an estimated 137 non-exempt units per year. The resultant growth with the WDAAC development would total approximately 291 total non-exempt units/year), slightly exceeding the 1% growth cap established by Resolution 11-077 in 2011. Because development 2006 to 2015 was significantly below the 1% growth cap, and because this project provides a type of housing not otherwise available in the Davis market, staff finds the project is approvable.

#### Density and consistency with regional plans

The proposed project is approximately 37% single-family detached, 36% single-family attached, and condominium, and 27% multifamily. The gross density of the project, with 560 units on approximately 74 acres, is 7.57 units per acre. Net density, excluding the activity and wellness center, streets, and greenways, is 560 units on 43 acres, or 13 units per acre.

Commissioners and members of the public have suggested that density of West Davis Active Adult Community should be higher, for a more effective utilization of the land. A Planning Commission comment requested a comparison with Rancho Yolo. Rancho Yolo has 263 units on 39.31 acres, or 6.69 units/net acre, below that proposed for WDAAC. The Sacramento Area Council of Governments (SACOG) reports that the WDAAC site is identified in the regional Blueprint for future residential mixed-use development. The Blueprint, and subsequent Metropolitan Transportation Plans, identify the need for more attached and small-lot single family housing in the region. To an extent, the applicant's desire to provide single-story homes is at tension with the regional desire to provide higher-density housing.

The General Plan notes that through a Planned Development, the City may approve developments with densities on any given parcel that differ from the otherwise-allowable densities in the General Plan designation, provided the overall density is consistent with the allowable density. This concept is reflected in the recommended Preliminary Planned Development ordinance.

### Regional Housing Needs Allocation

The Sacramento Area Council of Governments assigns a Regional Housing Needs Allocation (RHNA) to each jurisdiction as part of its long-range planning processes. A community must demonstrate, through its Housing Element, that it has sufficient land zoned, at appropriate densities, to accommodate the RHNA requirements. The City can continue to demonstrate RHNA compliance for the 2013-2021 Housing Element cycle. During 2019, SACOG will generate RHNA requirements for the 2021-2029 RHNA cycle.

If the WDAAC is approved by the City Council, placed on the ballot in November 2018, and approved by the voters, construction of the housing would likely begin some time in 2020 at the earliest. We are currently anticipating that any certificates of occupancy issued after June 30, 2021 would be eligible for credit during the next RHNA cycle. Approval of this project, especially the affordable housing component, would likely be beneficial for the 2021-2029 Housing Element requirements.

### Proposed age restrictions and need for senior housing

The West Davis Active Adult Community would be the first age-restricted single-family subdivision in Davis. The applicant is proposing what is described as an 80:20 concept: Eighty-percent of the units would be age restricted. The age-restricted single-family homes and condominiums would fall into the “senior citizen housing development” provisions of the California civil code. At least one person age 55 or older must occupy each of these units. Any additional occupants must be either married to the 55+ occupant, or at least 45 years old. The 150-unit affordable housing project, due to restrictions of anticipated funding, is likely to be limited to occupancy by persons aged 62 and older. The remaining twenty percent (approximately 77 single-family detached units) would not have age restrictions.

Staff is comfortable that the 80:20 concept could be consistent with state and federal law through identification of age-restricted and unrestricted parcels as part of the subdivision process. For example, the “small builder lots” at the north and west edges could be unrestricted, while the interior of the development would be age-restricted. The applicant is exploring the possibility of interspersing the non-restricted units through the single-family areas of the subdivision. Staff finds the concept of a multi-generational neighborhood to be attractive, but additional legal research is necessary. The Development Agreement provides that CC&Rs are subject to City review for compliance with legal requirements related to housing for seniors.

Commissioners and the public have questioned whether an age-restricted development is appropriate for development in Davis. After consideration, staff has concluded that this concept can be approvable as a distinct neighborhood that adds to the types of living environment in the community. Factors for consideration include:

- The development is not solely age-restricted. The unrestricted homes provide opportunities for intergenerational living, or other household types in addition to the age-restricted homes.
- The development includes amenities that will be open to the public (tot lot, agricultural buffer, and potential restaurant and health club) that will encourage visits by non-residents and non-seniors.



- The Senior Citizen Commission concluded that the development could help meet internal housing needs, in particular, housing needs of seniors.
- The age-restrictions can complement the development goals of providing smaller housing units than are otherwise provided in this market.
- Senior housing can be attractive in securing development subsidies for the affordable housing parcel.

## 2. Connectivity

### Commission comments:

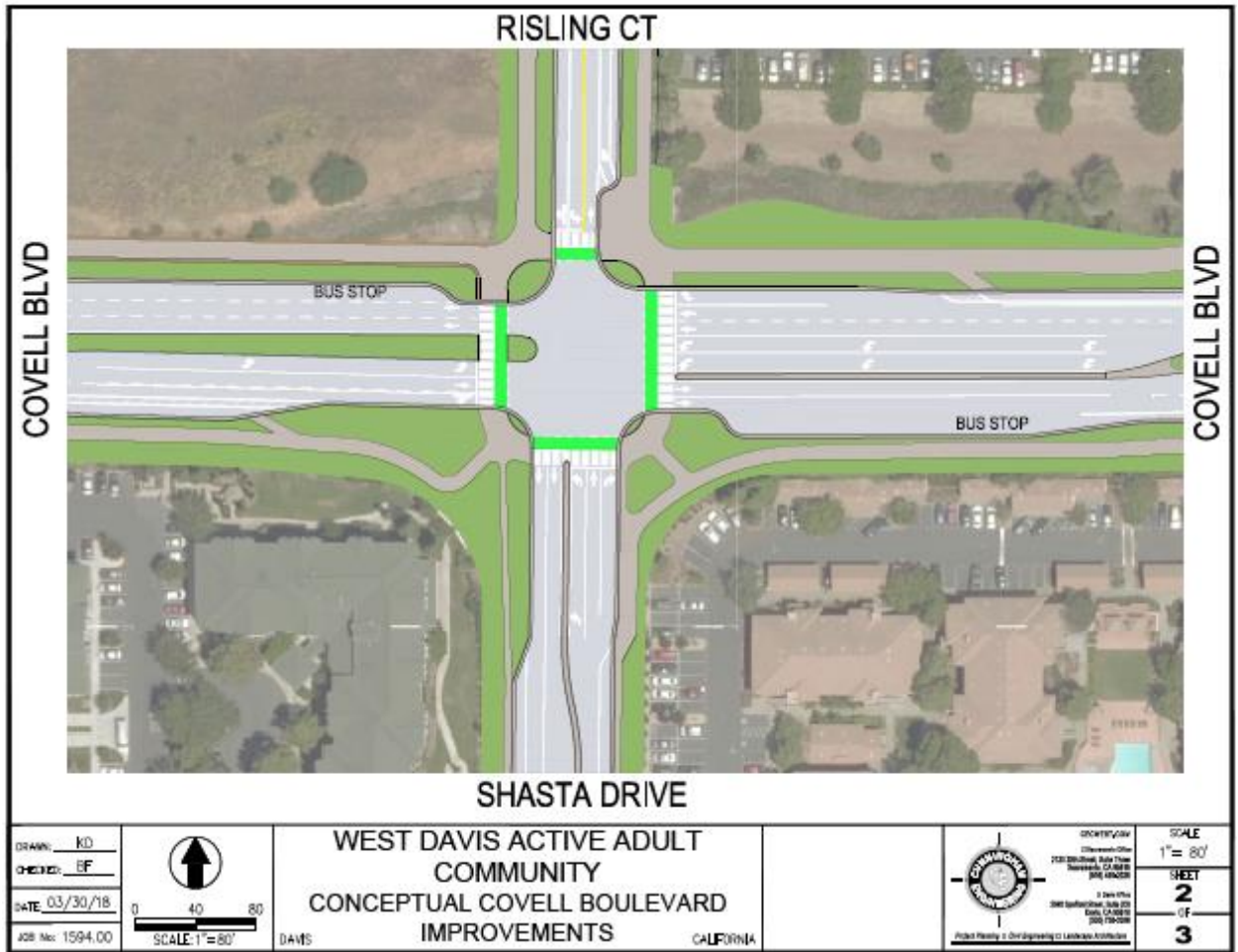
- Support services and amenities not contained within project (parks, groceries). Needs outside connectivity, including transit alternatives. (PC)
- Should have transit center (PC).
- Need to be mindful of opportunities for future transit (BTSSC)
- Eliminate all free rights at Covell / Shasta Risling (BTSSC)
- Project needs connectivity to John Jones to accommodate potential bicycle/ped crossing of 113 (BTSSC)
- Needs better N/S connection of Covell Boulevard, preferably grade-separated (BTSSC)
- Require a “transportation hub” in a central location that is oriented toward transit, and featuring seating, weather protection, and lighting. (NRC)
- Encourage investigation of public and alternative transportation connecting the development to locations in and around Davis. (NRC)
- Would like to see provisions made for internal transportation to the external bus stops. (SCC)
- The project does not foster regional connection. Access at the south end of the subdivision, and connections across and along Covell Boulevard, continue to be of concern for neighborhood residents seeking to walk or cycle to Arroyo Park, Patwin and Emerson schools, and the Marketplace shopping center. (RPC)

### General Plan policy guidance:

- Strive for carbon-neutrality or better from the transportation component of new residential development. (TRANS 1.5)
- Implement state-of-the-art street design solutions to improve bicycle/pedestrian access... (TRANS 2.2)
- Require new development to be designed to maximize transit potential. (TRANS 3.3)
- Develop a continuous trails and bikeway network for both recreation and transportation that serves the Core, neighborhoods, neighborhood shopping centers, employment centers, schools and other institutions; minimize conflicts between pedestrians, bicyclists, equestrians, and automobiles; and minimize impacts on wildlife. Greenbelts and separated bike paths on arterials should serve as the backbone of much of this network. (TRANS 4.2)

The WDAAC site has connectivity challenges. The site has agricultural lands to the north and west, and Covell Boulevard along the southern frontage. The need for better connectivity was identified by several commissions during the early review. Through the course of the commission and staff review processes, the connectivity components of the proposal have been

modified, for the better. The most significant change is a redesign of the Covell / Shasta / Risling to improve safety and comfort for all users.



The proposed reconstruction would eliminate all free right turns and shorten the pedestrian crossing distances to the greatest extent feasible. Bicycle lanes would be eliminated in the intersection to reduce roadway width: confident riders may choose to merge with traffic through the intersection, while less-confident riders would always have the option of the off-street path. The reconfiguration is similar to that approved by the City Council for the intersection of Covell Boulevard and L Street, which is scheduled for construction this summer. The concept is consistent with the recommendation from the Bicycling, Transportation, and Street Safety Commission that the free rights be eliminated and the connectivity across Covell Boulevard be improved.

The WDAAC proposal also includes dedication of a site north of the hospital, on John Jones Road, to accommodate a possible landing for a bicycle/pedestrian overcrossing of SR-113 should that become feasible. The path from the landing would connect to the trail in the agricultural buffer, and then to Covell Boulevard. This commitment is reflected in Development Agreement Exhibit F.

Staff has concluded that the improves proposed for the Covell/Shasta/Risling intersection, plus the other aesthetic and safety improvements proposed for the Covell Boulevard corridor, provide significant connectivity improvements to serve WDAAC and the Sutter-Davis Hospital property. Construction of the improvements is required with the first phase of development, per the Baseline Project Features and the Development Agreement. Final design details will be verified with tentative and final subdivision maps, to ensure consist with City design standards such as turning radii.

### 3. Agricultural preservation, agricultural buffer, and habitat

#### Commission comments:

- **Detention basin as habitat.** Develop and manage the detention basin as a habitat area and community amenity similar to North and West Davis ponds (Baseline Project Feature). (OSHC)
- **Agricultural buffer as habitat.** Develop and manage the agricultural buffer as a habitat area and community amenity, for example, as described in the Acorns-to-Oaks proposal (Baseline Project Feature). (OSHC)
- **Open space/habitat connectivity.** Improve the drainage ditch next to Covell Boulevard to enhance habitat and wildlife connectivity, including the provision of culverts that allow for wildlife movement (Baseline Project Feature). (OSHC)
- **Public access.** Encourage public access and recreational opportunities in the 50-foot-wide agricultural transition area (See Municipal Code Section 40A.01.050). (OSHC)

#### General Plan policy guidance:

- Designate new lands for this [Urban Agricultural Transition Area] category in an incremental fashion as resources and opportunities become available... (LU N.1)
- Where public access is desired, the width of the buffer must be sufficient to also include a 100-foot wide area where public access is restricted to allow for ground spraying on adjacent agricultural land. (LU N.4)
- Establish a distinct permanent urban edge which shall be defined by open space, hedgerows, tree rows, similar landscape features, buffer containing transitional agricultural uses, or similar elements. (LU 1.4)
- Coordinate and integrate development of storm ponds and channels City-wide, to maximize recreational, habitat and aesthetic benefits. (WATER 3.1)
- Develop a system of trails around the edge of the city and within the city for recreational use and to allow pedestrians and bicyclists to reach open space and natural areas. (TRANS 4.7)

The proposal includes a 150' agricultural buffer on the west and north boundaries of the site, consistent with the requirements of the farmland preservation ordinance. The innermost fifth feet (adjacent to the residential areas) would be publicly-owned and accessible to the public. The outermost one hundred feet would be privately owned, with a preservation easement. Public access would not be allowed, to protect agricultural operations. The entire buffer would be maintained by the developer or homeowner association. The buffer would also serve as a stormwater conveyance facility, leading to the off-site detention basin north of the hospital.

The applicant is proposing an oak “forest” within the agricultural buffer, in collaboration with an organization such as Tree Davis. The Open Space and Habitat Commission supported this concept, and the dual-purpose of stormwater accommodations and habitat in the buffer and the detention basin. This commitment is reflected in the Development Agreement. The Preliminary Planned Development requires conceptual designs and planting palettes to be reviewed by the Open Space and Habitat Commission prior to Planning Commission consideration of the first tentative subdivision map.

The project is also subject to agricultural mitigation requirements. Compliance will be verified at the time the mitigation land is identified for preservation, which would be required prior to any construction or conversion of the WDAAC property.

#### **4. On-site open space and recreational land**

##### Commission comments:

- Intersperse activity nodes throughout neighborhood, including benches and shade. (PC)
- The proposed public spaces in the subdivision (dog exercise area, tot lot, and walking loop) could be appropriate for meeting resident needs for passive recreation and for activities for small children. (RPC)
- The proposed pathways (eight feet concrete and four of decomposed granite), although not qualifying as official greenbelts, could provide internal circulation for seniors and other residents. However, the path width does not meet City standard for multi-use paths and may not safely accommodate all users at all times, particularly if faster cyclists use the greenways. (RPC)
- Whether a subdivision should meet recreational needs through private ownership and maintenance should be thoughtfully considered. (RPC)
- The Recreation and Parks Commission, relative to the concept and review of parks and green spaces, are generally supportive of the overall development project taking into consideration the two prior motions. (RPC)
- Perimeter and spine paths need to be wide enough to accommodate tricycles (BTSSC)
- Native plants. Maximize the use of native plants and plants that benefit native animals, including pollinators and invertebrates, throughout the project including on internal greenbelts. (OSHC)

##### General Plan policy guidance:

- Require neighborhood greenbelts in all new residential development areas. Require that a minimum of 10 percent of newly-developed residential land be designated for use as open space primarily for neighborhood greenbelts. (LU A.5)
- Provide informal areas for people of all ages to interact with natural landscapes and preserve open space between urban and agricultural uses to provide a physical and visual edge to the City. (POS 1.2)
- Attempt to provide city residents with convenient access to parks and recreation programs and facilities. (POS 1.5)

Arroyo Park is approximately 3/8 of a mile from the southern edge of the subdivision, within the General Plan standard of 1.5 miles of dwelling units. The project proposes recreational amenities

differing from the parks and greenbelts anticipated by General Plan standards and provided in recent large subdivisions. “Greenways” approximately 25 feet wide connect the homes and provide access to the perimeter multi-use trail. A wider (35’ wide) greenway serves as a central north-south spine, connecting through landscaped walkways to Covell Boulevard.

In response to review comments, the initial project submittal has been revised to include activity nodes within the subdivision. This includes a dog exercise area, a location for a tot lot, and a “view park” node at the northwest corner of the subdivision. Recreational opportunities are also provided in the public access portion of the perimeter agricultural buffer. All green space is proposed to be maintained by the homeowners association. The proposed health club and pool would provide additional recreation opportunities for residents of the subdivision, and the agricultural buffer is proposed to include a walking path connecting to the internal greenways.

## **5. Subdivision design and “feel”**

### Commission comments:

- Explore form-based planning, sight lines, and landscape architecture. (PC)

### General Plan policy guidance:

- Require a mix of housing types, densities, prices and rents, and designs in each new development area. (LU A.3)
- A minimum of 50% of future residential lots (exclusive of any required affordable or multifamily lots) within a new residential development shall be designated as “diverse architecture lots”... (LU A.2)
- Promote urban/community design which is human-scaled, comfortable, safe and conducive to pedestrian use. (UD 1.1)

The proposed subdivision is a modified grid system, with a perimeter roadway serving as a circulation loop for vehicles. Many of the single-family homes would have pedestrian access through a network of “greenways.”

The proposal includes several “Form-Based Code” concepts, as identified in Daniel Parolek’s guide:

- Narrower streets in an interconnected, gridded network
- Mixed-use, walkable, compact development oriented principles
- Identification of an urban hierarchy, such as rural-urban edges
- Regulation to create “places,” rather than buildings

Examples of how these concepts are addressed in the Planned Development include

- Requirement for Design Guidelines to be submitted with Final Planned Development
- Obligation to provide Diverse Architectural Lots
- Single-story limitations and fence standards to ensure quality of the greenway experience
- Flexibility in uses of second-story residential space (bonus room, caretaker housing) and the mixed-use center
- Attention to fences, driveways, and lotting patterns to foster an attractive, walkable community.

## 6. Affordable housing

### Commission comments:

- Find the proposal to be consistent with the City’s affordable housing ordinance. (SSC)
- Require the developer to implement a sliding scale fee for senior renters who wish to utilize homeowner association amenities. (SSC)
- Require the developer to more fully integrate the senior renters with the market rate homeowners. (SSC)

### General Plan policy guidance:

- Strive to meet the identified current and projected local need for housing and for housing affordable to extremely low-, very low-, low-, and moderate-income households including provision of Davis' eight-year fair share of regional housing needs. (HOUSING 2.1)
- Strive to ensure that required affordable housing is occupied by those with the greatest need. (HOUSING 3.2)

The City’s Affordable Housing Ordinance requires provision for affordable housing in all new developments. For for-sale projects, the number of affordable units is calculated based upon lot size and type of market-priced housing. Staff calculates the number of affordable units required at WDAAC to about 55 units. This is an estimate because exact parcel configuration and lot sizes have not been determined, but it should be close to what would finally be required.

<b>WDAAC Affordable Housing Obligation</b>			
<b>Unit Type</b>	<b>Number of Units</b>	<b>Affordable Obligation</b>	<b>Affordable Units Required</b>
<b>Custom Lots &lt;5,000 sf</b>	51	15%	7.65
<b>Greenway homes &lt;5,000 sf</b>	150	15%	22.50
<b>Bungalow Courts</b>	38	15%	5.70
<b>Cottages (Single-family attached)</b>	33	10%	3.30
<b>Condominiums</b>	48	Exempt	-
<b>Single-family (undefined)</b>	61	10% (assumed)	6.10
<b>Affordable apartments</b>	150	N/A	-
<b>URC or medical provider</b>	30	35% (assumed rental)	10.5
<b>TOTAL</b>	<b>560</b>		<b>55.75</b>

The application proposes an affordable housing parcel of over four acres to accommodate as many as 150 affordable housing apartments. Because of the anticipated subsidy financing, occupancy is expected to be limited to residents aged 62 or over. Rents would be targeted to low-income, very-low-income, and extremely-low-income seniors. The City has needs for many types of affordable housing, including affordable housing for seniors. Staff continues to explore whether alternatives to senior-only affordable housing should be considered.

The affordable housing parcel would make a significant contribution to meeting the City's obligations under the next Housing Element cycle. The units would also further policy goals of mixing housing types and resident incomes in new development areas, and complement the other major rental affordable housing property in West Davis (family-oriented Shasta Point). The applicant has requested consideration of allowing the affordable units exceeding the obligation for WDAAC to be "banked" and used in development elsewhere. This concept, if determined to be appropriate, would be addressed in the Development Agreement.

## **7. Sustainability**

### Commission comments:

- Project's buildings and common (public) areas should be carbon-neutral (zero net greenhouse gas) during operations. (NRC)
- Require purple (non-potable water) pipes for public landscaping, and investigate use of non-potable sources for that use. The purple pipe irrigation system is required whether or not non-potable water is available at time of construction.(NRC)
- Support energy retrofit program concept for every purchase, including if buyer is outside Davis. Funds to be used for energy retrofits of existing homes in Davis. (NRC)

### General Plan policy guidance:

- Develop programs to increase energy conservation on the household and business level. (ENERGY 1.1)
- Encourage the development of energy-efficient subdivisions and buildings. (ENERGY 1.3)
- Ensure that existing housing stock is maintained in sound condition and up to code requirements. (HOUSING 5.1)
- Require water conserving landscaping and irrigation practices. (WATER 1.2)

Because of developer commitments and expected changes in building code requirements, new homes built in 2020 will be very energy-efficient. The applicant is proposing an energy retrofit program that would grant \$2,500-\$3,500 for improvements to existing structures when Davis homeowners purchase in the West Davis Active Adult Community. The Natural Resources Commission supported this concept, and recommended that the retrofit contribution be made whether or not the WDAAC buyer sells an existing Davis home. Staff supports the proposal as presented by the applicant. It can serve as a pilot for a program to improve properties in Davis.

Other highlights of the sustainability proposal include:

- Photovoltaics and zero net electric for every for-sale residential unit (proposed to differ from City standard building ordinance requirements).
- Energy retrofit grant program (see below)
- Habitat creation along Covell Boulevard and in the agricultural buffer.

These commitments are reflected in the Development Agreement.

## **8. Development Agreement Provisions**

The Development Agreement is a voluntary contract between the City and a Developer. It provides a vested right for development of the property, and establishes obligations of both parties. The City Council appointed a subcommittee of Mayor Davis to provide guidance to staff in negotiating a Development Agreement for the project. Attachment 4 includes the applicant's proposal for a Development Agreement, which will be further vetted by staff and the subcommittee after receiving Planning Commission feedback on the proposal.

For additional discussion of the Development Agreement, see Affordable Housing, Sustainability, and Environmental Review sections of this report. In summary, the draft Development Agreement reflects the following commitments of the City and the Developer:

- ♦ The Developer has a vested right to develop the property in accordance with the entitlements and the Baseline Project Features.
- ♦ Specific commitments to sustainability features, including energy conservation and generation.
- ♦ Affordable housing obligations as approved by the City Council.
- ♦ All Mitigation Measures identified in the EIR will be incorporated into the project.
- ♦ Agricultural mitigation will be provided in accordance with the Agricultural Protection Ordinance. Compliance will be verified at the time the mitigation land is identified for preservation, which would be required prior to any construction
- ♦ Community Enhancements and provisions for fees and credits, as determined by the City Council.

The Development Agreement also references the General Plan Amendment and Baseline Project Features required by Chapter 41 of the Davis Municipal Code. If the project is approved, these Baseline Project Features cannot be removed or significantly modified without subsequent voter approval. Baseline Project Features drafted by the applicant are included in Attachment 3.

## **9. Fiscal impacts**

### Commission comments:

- Maintenance funding. Ensure there is a funding mechanism for the initial planting and long-term maintenance of habitat areas throughout the project. (OSHC)

### General Plan policy guidance:



- Require that the costs of mitigation and service provision for development projects be borne by those projects. (IMP 3.3)

The Finance and Budget Commission has reviewed the fiscal impacts of the proposal, based upon staff analysis and preliminary concept plans. The Commission concurred with staff's conclusion that annual ongoing revenues and costs for the city from the project would be significantly positive over its first 15 years of development, generating as much as a \$300,000 net fiscal benefit in many years.

#### **IV. Environmental Review**

The City has prepared a Draft and Final Environmental Impact Report (FEIR) in accordance with the requirements of the California Environmental Quality Act (CEQA), the State CEQA Guidelines, the City's procedures for the implementation of CEQA, and other applicable laws. Public participation was included in the environmental review process for the project.

The Draft EIR identified the following environmental issue areas as having significant and unavoidable environmental impacts from implementation of the project: Aesthetics, Agricultural Resources, Air Quality, Transportation and Circulation, and Cumulative Impacts. All other environmental issues were determined to have no impact, less than significant impacts, or less than significant impacts with mitigation measures incorporated into the project.

The DEIR was released December 22, 2017 for review and comment. The comment period was extended beyond the statutory 45-day period to 60.5 days, closing at noon on Tuesday, February 20, 2018. The document is available online at the City's website located at [www.cityofdavis.org](http://www.cityofdavis.org), at the Department of Community Development and Sustainability, and at the Davis Branch Library. Paper loan copies and thumb drives are also available at the Department of Community Development and Sustainability.

One noticed public meeting was held by the Davis Planning Commission on January 10, 2018 at 7:00 p.m. to receive comments on the Draft EIR. At the public meeting, interested parties had the opportunity to speak and comments were captured by staff and the EIR consultant team. Comments received at the public hearing were responded to in the Final EIR.

The Final EIR includes revisions, updates, and clarifications in response to public and agency comments on the Draft EIR. The Final EIR includes all public comments received on the Draft EIR and written responses to all of these comments. The Final EIR document will be made available on or before April 6, 2018 and will be available at <http://cityofdavis.org/city-hall/community-development-and-sustainability/development-projects/west-davis-active-adult-community> or reviewed at the Department of Community Development and Sustainability. The new information provided in the Final EIR does not constitute "significant new information" within the meaning of CEQA so as to require recirculation of the Draft EIR or Final EIR.

The FEIR includes a specific discussion about the proposed modifications to the Covell / Shasta / Risling intersection ("Figure 3"), which differ from the configuration analyzed in the Draft EIR ("Figure 1"). Fehr and Peers reviewed the revision and made the following conclusions:

The configuration shown in Figure 3 would accomplish the following objectives:

- It would not worsen operations at a study intersection to an unacceptable level.
- Relative to the configuration in Figure 1, it would reduce queuing on the northbound approach by providing a dedicated right-turn lane.

With respect to bicyclists, the configuration in Figure 3 offers several benefits over the configuration contemplated in the Draft EIR including;

1. Eastbound bicyclists on West Covell Boulevard would no longer have to merge with highspeed, free-flowing northbound right-turns. Instead, a continuous Class II bike lane (with skip striping in conflict areas) would be provided.
2. The removal of the triangular raised median in the westbound right-turn lane would slow right-turning vehicles and improve the bicycling environment on Risling Court.

## **V. Conclusion**

In summary, staff recommends approval of the applications. Staff believes that the project appropriately integrates the City goals for, housing, environmental sustainability, community character, and fiscal responsibility. Specific reasons for staff's recommendations include:

- Staff is comfortable that this proposal, particularly when balanced with a multitude of other policy objectives, appropriately contributes to city sustainability goals and takes the city in the right direction for new development projects.
- Internal open space and bicycle/pedestrian connectivity forms the backbone of the subdivision layout.
- The project includes significant improvements to the appearance and safety of Covell Boulevard and its Shasta/Rising intersection
- Additional housing may provide opportunities for households wishing to purchase in Davis, and may encourage turnover of existing homes occupied by empty-nesters wishing to downsize; and
- Affordable housing is provided exceeding the requirements of the City's ordinance.

## Attachments

1. Site Plan
2. [Draft](#) and [Final](#) Environmental Impact Report
3. General Plan Amendment Resolution, including Baseline Project Features
4. Draft Development Agreement, including Affordable Housing Plan
5. Preliminary Planned Development Ordinance
6. Commission minutes and comments
  - a. Summary of Commission Comments and Disposition
  - b. Bicycling, Transportation, and Street Safety Commission
  - c. Natural Resources Commission
  - d. Open Space and Habitat Commission
  - e. Recreation and Park Commission
  - f. Senior Citizen Commission
  - g. Social Services Commission
  - h. Fiscal Analysis Summary from Finance and Budget Commission
7. Excerpt from The 2008 City Council resolution on the recommendations of the Housing Element Steering Committee (entire resolution at <http://cityofdavis.org/home/showdocument?id=7312>)
8. Additional applicant submittals
  - a. Legal opinion on proposed Davis-Based Buyers Program
  - b. [Planning Commission supplemental materials packet](#)