



Town of Yountville

6550 Yount Street
Yountville, CA 94599

Staff Report

Agenda Item #: {{section.number}}A

Yountville Town Council Staff Report

DATE: July 19, 2022

TO: Mayor and Town Council

FROM: Kirsty Shelton, Planning & Building Director

PREPARED BY: Kirsty Shelton, Planning & Building Director

SUBJECT:

1. The Town Council will consider the Zoning, Design, Review Board recommendations from their publicly noticed meeting of June 28, 2022 regarding multiple amendments and additions to Title 17 of the Yountville Municipal Code (Zoning Code). Specifically, the following:
 - a. Introduce and waive first reading of Ordinance Number 22-509 An Ordinance of the Town Council of the Town of Yountville Amending Chapter 17.156 of the Yountville Municipal Code Regarding Accessory Dwelling Units
 - b. Introduce and waive first reading of Ordinance Number 22-510, An Ordinance of The Town Council of the Town of Yountville Adding Chapter 17.158 Of the Yountville Municipal Code Regarding Two Dwelling Residential Developments and Urban Lot Splits
 - c. Introduce and waive first reading of Ordinance Number 22-511 An Ordinance of the Town Council of the Town of Yountville, California Adding Chapter 17.162 to Title 17 of the Yountville Municipal Code Regarding Small Home Lot Developments
 - d. Introduce and waive first reading of Ordinance Number 22-512 An Ordinance of the Town Council of the Town of Yountville Amending Section 17.80.020 of Chapter 17.80 of The Yountville Municipal Code Regarding Affordable Housing Overlay
 - e. Introduce and waive first reading of Ordinance Number 22-513 An Ordinance of the Town Council Of The Town pf Yountville Adding Chapter 17.26 To The Yountville Municipal Code Establishing The RM-2, Mixed Residential-2 Land Use Designation And Amending Section 17.08.050 of the Yountville Municipal Code Related to Land Use Designations
 - f. Introduce and waive first reading of Ordinance Number 22-514, An Ordinance of the Town Council of The Town Of Yountville, California Adopting An Amendment To The Yountville Zoning Map To Change The Zoning District From Mixed Residential (RM) To Mixed Residential-2 (RM-2) Of An Approximate 16.8-Acre Site Located On The Town's Southeast Boundary (APN 036-090-002) East of Washington Street and North of Land Lane

SITE: Town-wide and specifically including properties with the AHO, Affordable Housing Overlay which includes:

- 2200 Webber Ave. (APN 036-330-001),
- 6406 Washington Street (APN 036-090-002),
- 6424 Washington Street (APN 036-090-005),
- 1 & 3 Ghirardi Place – (APN 036-341-029-000), 5 & 7 Ghirardi Place (APN 036-341-

- 028-000), 9 Ghirardi place (APN 036-341-027-000), 6 & 8 Ghirardi Place (APN 036-341-031-000), 2 & 4 Ghirardi Place – (APN 036-341-030-000),
- 1899 Fennell Road - 036-090-030-000

DISCUSSION/BACKGROUND

The Town Council will be considering the ZDRB's recommendations regarding the following amendments to the Municipal Code:

- (1) amend Chapter 17.156 (Accessory Dwelling Units) to encourage the construction of affordable rental units,
- (2) adding Chapter 17.158 (Two Dwelling Units and Urban Lot Splits) to provide opportunities to construct two dwelling units and urban lot splits,
- (3) adding Chapter 17.162 (Small Home Lot Developments) to establish objective standards and regulations to govern the development of qualified residential units,
- (4) amending Chapter 17.80.020 (Affordable Housing Overlay) to require construction of affordable housing on properties zoned Planned Commercial (PC),
- (5) adding Chapter 17.26 (RM-2, Mixed Residential -2) to encourage development of a variety of housing types, and
- (6) amend the Yountville Zoning map to rezone and change the Zoning District from Mixed Residential with Affordable Housing Overlay (RM-AHO) to Mixed Residential – 2 (RM-2) to encourage a variety of housing types of a higher density on a 16.8-acre site located at 6406 Washington Street (APN 036-090-002) located east of Washington Street and north of Land Lane.

Yountville Municipal Code Chapter 17.184 directs the ZDRB to recommend to the Town Council approval, conditional approval, or denial of applications for amendments to the Zoning Ordinance and the Zoning Map. Government Code section 65853 et seq. similarly requires the ZDRB to make a written recommendation to the Town Council regarding amendments to the Zoning Ordinance and the Zoning Map. In accordance with these requirements, the ZDRB held a public hearing on June 28, 2022, and made recommendations to the Town Council (attached as Exhibit A – Resolution 22-Z-01) regarding the attached proposed ordinances.

Over the past several months, Staff has been working with the Town Attorney to develop amendments to Title 17 of the Yountville Municipal Code ("Zoning Code") to respond to recent changes in state legislature as they relate to infill housing. These include (1), (3), and (4) above, which implement state law requirements and provide clarification for applicants.

In addition to responding to recent changes to state legislature as it relates to infill housing, Staff has been working with consultants to prepare the Housing Element Update. The request to establish the RM-2 zone ([5] above) and to rezone and increase the density on the 16.8 parcel located at the southern boundary of Town ([6] above) are to support the effort updating the Housing Element by responding with feasible locations for the development of infill housing.

Staff brought a conversation on the current objective standards within the existing Zoning Ordinance for the ZDRB's review and consideration on March 8, 2022. Among other elements, there was deliberation and direction on paint colors when there are multiple structures on a lot, depth of the front porch, and the use of stucco as an approved exterior building material. These will be addressed in the summary below as they relate to each request.

Additionally, on May 3, 2022, Staff brought a request for the Town Council to give direction on the height and story limit of an Accessory Dwelling Unit ("ADU"). The deliberation resulted in a request to not change the current objective standard as it governs the height of an ADU.

In summary, the ZDRB's recommendation included in the attached Resolution from there public hearing on June 28th included the following recommendations:

1. Remove the Affordable Housing Overlay and rezone the Catholic Church Site (6406 Washington Street) from RM to RM 2 so that the land use density is consistent with the General Plan.

2. Keep the height limit of the ADUs as it currently exists in the Zoning Ordinance.
3. Reduce the size of the ADUs consistent with state law. This would reduce the size of an ADU from a maximum of 1,200 square feet to 850 for a one bedroom and 1,000 square feet for a two-bedroom ADU.
4. Consider reducing the minimum days to rent from 90 to 30 days to allow flexibility with the local workforce.

The following includes a summary of each of the Ordinances, which have been revised to reflect the ZDRB recommendations.

(1) Request to amend Chapter 17.156 - Accessory Dwelling Units (“ADUs”)

This Chapter includes the most changes, which are summarized below.

a) 17.156.020.H – Definitions. The current Zoning Code is silent on the definition of a Junior ADU (“JADU”), the proposed amendment defines it as a minimum of 220 square feet and a maximum of 500 square feet, that it must be contained entirely within the existing single-family structure and may have access to the primary dwelling. This is consistent with state law and as proposed will be explicit in the Zoning Code. The proposed amendment also deletes other obsolete definitions from the Zoning Ordinance.

b) 17.156.030.C(1) – Floor Area of ADUs. The current Zoning Ordinance defines the maximum size of a detached ADU to be 1,200 square feet. The proposed Zoning Code Amendment reduces the size of an ADU, whether it is attached or detached, to 850 square feet for a one-bedroom unit, up to 1, 000 square feet for a two bedroom unit. This is consistent with state law. The current Zoning Ordinance exempts ADUs entirely from Floor Area Ratio (FAR). Please note this proposed amendment would indirectly reduce the FAR exemption.

c) 17.156.030.E – Lot Coverage. Please note, this is a new concept and is consistently included in this ordinance and the other ordinances. State law references “lot coverage,” however, the current Zoning Ordinances do not have a definition. For the most part, over the years the Town controlled the density of residential development with the use of FAR which, in some cases, must be waived to the extent needed to construct minimum size units under recent changes to state law. To balance the requirement to allow additional housing units and continue the trend of low-density residential neighborhoods, the proposed amendments include a maximum lot coverage, as defined, of no more than 60%, meaning that 40% of the lot must not contain roofed or unroofed structures with finished floors.

d) 17.156.030.G – Height Limit. This remains unchanged from the existing Zoning Ordinance.

e) 17.156.040 – Development Standards. These are now explicitly labeled. The most significant standard to bring to attention is 17.156.040.A.v – there shall be no shared access between the primary dwelling unit and the ADU; this means that an attached ADU may not have an access door between the ADU and the primary dwelling unit. Interior access is allowed for a JADU. The Town has always interpreted the “independent access” requirement in this way but now the requirement will be explicit.

f) 17.156.040.D. – Appearance. This is the requirement that the ADU shall be “substantially similar”, including materials, color, and architectural style, to the primary dwelling unit. As discussed with the ZDRB in March, it is difficult to interpret in an objective standard. After much discussion with the Town Attorney, staff recommends no changes to this section. The reason for this is if a “different” color and “different” architecture was requested, there would be many options for compliance, and some may not be desirable. Because the primary dwelling unit is still subject to subjective design review and the ADU design is ministerial, we interpreted this potential change to cause potential unintended consequences.

g) 17.156.040.I – Permit approval. The current Zoning Ordinance is silent about the timeline of permit approval. The proposed amendment brings the requirement consistent with state law, stating if the proposal complies with the Zoning Ordinance, the Planning Officer shall approve it no later than 60-days after a complete application is submitted.

h) 17.156.050 – Development Standards for JADUs. The proposed amendment allows an addition of up to 150 square feet to the primary dwelling unit to allow the JADU consistent with state law.

State law includes the provision as referenced in Section 17.156.30.C.(2): *Nothing in this section shall prohibit an ADU that is at least 800 square feet, 16 feet in height, and constructed in compliance with all other local development standards.* The final phrase “and constructed in compliance with all other local development standards” is important because, while state law allows a minimum size ADU, it must still comply with all other requirements in the Zoning Ordinance.

(2) Request to amend Chapter 17.80 - Affordable Housing Overlay (AHO)

The AHO is a current land use designation on the Zoning Map and includes five parcels, three of which are already developed. There are two undeveloped parcels with the - AHO zoning designation: 6406 Washington Street (“Catholic Church Property”) and 2200 Webber (“French Laundry Garden Site”). The overlay allows for incentives, concessions, and density bonuses for qualified residential projects committing to developing affordable units. Below is a summary of the proposed Amendments to the -AHO:

a) 17.80.020.E. – Affordable Housing Overlay when applied to a site with land use designation PC, Primary Commercial. The proposed amendment includes the following addition: *When a new development is proposed for which a Master Development Plan is required, the Plan shall require construction of 3.5 housing units per gross acre for low-income households.* This request to amend the Zoning Ordinance is to codify a requirement that already exists on the French Laundry Garden Site. This is a prerequisite for this parcel to continue to be included in the Regional Housing Needs Allocation (RHNA) as part of the Housing Element Update. Without this amendment to explicitly define the affordable housing requirements on this parcel, the Town could not count the units towards its RHNA.

(3) Request to add Chapter 17.158 – Two Dwelling Developments and Urban Lot Splits

This proposed amendment is in direct response to Senate Bill 9 (“SB 9”) which became effective January 1, 2022. In response to the uncertainty of potential SB 9 development, on February 1, 2022, Staff brought forward an Urgency Ordinance to the Town Council, which was adopted and effective immediately. This proposed addition to the Zoning Ordinance mirrors the Urgency Ordinance with the following modifications:

(1) *Section 17.158.010.C.9 Definition of Lot Coverage. Lot Coverage is defined as the percentage of the total lot area that is occupied by buildings or structures that are roofed or otherwise covered or that are unroofed and have a finished floor.*

(2) *17.158.010.2.d Lot Coverage shall be no greater than 60%.*

For some background, SB 9 requires housing developments containing no more than two residential units, or a proposed urban lot split, within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposal meets certain requirements. Because SB 9 is unclear on a few important elements as it relates to potential development, this proposed amendment provides clarity on the following points:

(1). Clarifies that SB 9 projects may only occur on single-family residentially zoning designations: Old Town Historic (H) and Residential Single (RS) Zoning Districts.

(2) Provides a maximum unit size of up to 1,000 square feet for a one-bedroom unit as state law provides no maximum size.

(3) Requires the applicant to limit the lots created by an urban lot split to include two total residential units (e.g., one duplex or one primary residence plus one ADU).

(4) Limits building height to 16 feet. Like recent legislation concerning ADUs, SB 9 contains directive language regarding certain aspects of urban lot splits and two-unit residential development and allows local agencies to adopt objective standards to regulate other aspects provided minimum development is still permitted (i.e., 800 sf units).

This amendment is needed to codify the Urgency Ordinance in the Zoning Ordinance and establish long-term objective standards to address potential adverse impacts resulting from the uncertainty within SB 9.

(4) Request to add Chapter 17.162 – Small Home Lot Developments

This proposed addition to the Zoning Ordinance is in response to Assembly Bill 803 (“AB 803”), which became effective January 1, 2022 to allow development of Small Home Lot Developments within the Town. If AB 803 is no longer in effect, this chapter will be repealed. This request to include this chapter as part of the amendments is to establish objective standards resulting from the implementation of AB 803.

Small Home Lot Developments are defined as exactly what it says: Small Homes on Small Lots intended for sale (fee-simple). This concept is similar to a mobile home park, but the homeowner would own the land fee-simple, and the homes would not need to be modular. The development standards include a minimum floor area of 800 square feet and a maximum of 1,750 square feet, a lot coverage standard to be no greater than 60% developed, and no minimum lot size.

It should be noted that the Town only has one vacant parcel zoned for multi-family development and it doesn’t qualify for a Single Home Lot development because of Section 17.162.020.B.3. Said section defines eligible parcels shall not be identified in the housing element as a site to accommodate any portion of the RHNA. The one vacant parcel zoned multi-family; the Catholic Church Property, is planned to accommodate the Town’s RHNA; therefore, it does not qualify for Small Home Lot Development.

Furthermore, Section 17.158.050D.2 requires the development to be developed at the maximum allowable residential density. This requirement will be very difficult to meet.

Although this is another ministerially approved development, Section 17.162.080.A.(3) states that the ZDRB shall provide comments to the applicant and Section 17.162.080.B. states that the Planning Officer may only approve it if it complies with all applicable provisions of the Zoning Ordinance and subdivision regulations.

In conclusion, Staff is recommending this Chapter be included in the Zoning Ordinance to comply with state law. While there are no currently vacant parcels zoned for multi-family that would qualify for this development, it will apply in the future if parcels are rezoned multifamily and meet the requirements of the Zoning Ordinance.

(5) Request to add Chapter 17.26 – Mixed Residential – 2

The current Zoning Ordinance includes Chapter 17.24 – Mixed Residential (RM). This request includes a new Chapter 17.26, which mirrors all aspects of RM besides Section 17.26.050 (Density). RM requires a minimum density of 8 units per acre and a maximum of 10 units per acre. RM-2, if approved, would require a minimum of 10 units per acre and a maximum of 20 units per acre.

This new Zoning District will help the Town meet the Town’s Regional Housing Needs Allocation (“RHNA”) and this request is a pre-requisite for the forthcoming Housing Element Update. The California Housing and Community Development Department (“HCD”) requires a parcel to have zoning that would permit 20 units per acre as a permitted use for the parcel to be considered as a feasible workforce or affordable housing project. Therefore, this amendment to establish a new Zoning Chapter – 17.26 RM2 to double the density is required for the HCD to approve the feasibility of development of workforce housing within the Town limits meeting our RHNA.

(6) Request to rezone the 16.8 parcel located on the southeast boundary of the Town (APN 036-090-002), commonly known as the Catholic Church Property from RM-AHO to RM2

As described above, this rezone and Zoning Map amendment is to allow up to 20 units per acre as a permitted use in the RM-2 zone. This supports and is required for this parcel to be included in the Housing Element Update to show that the Town’s RHNA is feasible. Any development proposal is required to provide 15% of the housing to be offered to low and very-low-income households. If the rezone is approved, the property could be developed with up to 336 housing units, of which 51 would be required to be offered for affordable housing. If the proposed development provides more than 25% of the units offered for affordable housing to low or very low-income households, the project would qualify for state density bonus of up to 35%, which

would allow an additional 118 units per acre for a total of 454 units, of which at least 114 of them would be required for affordable housing. The RM2 Zoning Designation simply allows the higher density that was previous afforded without the applicant requesting a density bonus. HCD sees this as an incentive for housing developers to construct housing.

It should be noted that this parcel already has the -AHO Zoning Overlay, which allows an additional density bonus (up to 150% density bonus) than the state density bonus (up to 50% density bonus and 80% density bonus for 100% affordable projects) to encourage the development of affordable housing. If a project proposes 100% affordable, under the Town's density bonus program in the AHO zone, with the increase of density to 20 units per acre under the new RM-2 district, it would indirectly allow up to 50 units per the acre, or a total of 840 units, all of which would be required for affordable housing. This would create an inconsistency between the new Zoning designation of RM-2 with -AHO and the General Plan land use designation of Mixed Residential.

The ZDRB's recommendation to the Town Council includes removal of the -AHO from this parcel, which would allow the 20 units per acre, of which 15% would be required to be affordable (a minimum of 51 affordable, total of 336 housing units). Staff suggests the removal of the -AHO from the subject parcel and maintain consistency between the General Plan and the Zoning Ordinance and meet the goals of the HCD as part of the Housing Element update process.

ENVIRONMENTAL REVIEW

Revisions to the Yountville Zoning Ordinance, which are contained in these multiple Ordinance, were contemplated in the General Plan EIR (SCH# 2018082008). This Ordinance is consistent with the General Plan land use designations, and with the Yountville Municipal Code, as it is a refinement of the existing RM Zone District that applies specifically to providing affordable housing. As such, pursuant to Section 15183 of the California Environmental Quality Act (CEQA) guidelines, there is nothing peculiar to the project that would require additional environmental analysis. Therefore, the proposed project is considered within the General Plan EIR, and the Notice of Determination (NOD) filed for the EIR.

FISCAL IMPACT

Is there a Fiscal Impact? No

Is it Currently Budgeted? N/A

Where is it Budgeted? N/A

Is it Mandatory or Discretionary? Mandatory

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Exceptional Town Services and Staff:** The Town supports its talented staff who deliver high quality municipal programs and services while maintaining public infrastructure for the benefit of the community. **Quality of Life:** The Town enhances the livability of Yountville by providing well-maintained public facilities, parks, and trails, and quality programs and events.

Briefly Explain Relationship to Strategic Plan Goal and Objective. This Ordinance provides development standards in response to State Law providing for orderly development.

RECOMMENDATION

Receive Staff Report and direct any questions to Staff
Conduct Public Hearing and hear public testimony
Conduct Council discussion.

Make a motion to:

- a. Introduce and waive first reading of Ordinance Number 22-509 An Ordinance of the Town Council of the Town of Yountville Amending Chapter 17.156 of the Yountville Municipal Code Regarding Accessory Dwelling Units
- b. Introduce and waive first reading of Ordinance Number 22-510 An Ordinance of The Town Council of the Town of Yountville Adding Chapter 17.158 Of the Yountville Municipal Code Regarding Two Dwelling Residential Developments and Urban Lot Splits
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