

1 **NEVADA COUNTY PLANNING COMMISSION**
2 **NEVADA COUNTY, CALIFORNIA**

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4 **MINUTES** of the meeting of May 23, 2019, 1:30 PM, Board Chambers, Eric Rood Administration
5 Center, 950 Maidu Avenue, Nevada City, California
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8 **MEMBERS PRESENT:** Chair Duncan and Commissioners Coleman-Hunt, Johansen, and
9 Bullock.

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11 **MEMBERS ABSENT:** Commissioner Aguilar.

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13 **STAFF PRESENT:** Planning Director, Brian Foss; Principal Planner, Tyler Barrington; Deputy
14 County Counsel, Rhetta VanderPloeg; Senior Planner, Matt Kelley; Senior Office Assistant,
15 Shannon Paulus.
16

17
18 **PUBLIC HEARINGS:**

- 19
20 1. Housing Element Annual Progress Report
21 PLN19-0021; GPT19-0001; EIS19-0001

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24 **STANDING ORDERS:** Salute to the Flag - Roll Call - Corrections to Agenda.

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26 **CALL MEETING TO ORDER:** The meeting was called to order at 1:31 p.m. Roll call was
27 taken.

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29 **CHANGES TO AGENDA:** None.

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31 **PUBLIC COMMENT:** Members of the public shall be allowed to address the Commission on
32 items not appearing on the agenda which are of interest to the public and are within the subject
33 matter jurisdiction of the Planning Commission, provided that no action shall be taken unless
34 otherwise authorized by Subdivision (6) of Section 54954.2 of the Government Code. None.

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36 **COMMISSION BUSINESS:** None

37
38 **CONSENT ITEMS:** None

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40 **PUBLIC HEARING:**

41
42 **NEVADA COUNTY 2018 HOUSING ELEMENT ANNUAL PROGRESS REPORT:** The
43 Nevada County Planning Commission will hold a public hearing to accept the 2018 Housing
44 Element Annual Progress Report pursuant to State of California Government Code Section 65400.
45 State of California housing law requires cities and counties to submit a prescribed Housing
46 Element Annual Progress Report by April 1 of each year. The 2018 Annual Progress Report
47 contains a numeric and narrative review of the County's achievements in implantation of Housing
48 Element programs during calendar year 2018. **PROJECT LOCATION:** Unincorporated area of
49 Nevada County. **RECOMMENDED ENVIRONMENTAL DETERMINATION:** Exempt

50 pursuant to Section 15378(b)(5) of the State CEQA Guidelines. **RECOMMENDED PROJECT**
51 **ACTION:** Accept the 2018 Housing Element Annual Progress Report. **PLANNER:** Matt Kelley,
52 Senior Planner

53
54 Senior Planner Matt Kelley introduced himself to the Planning Commission and began his
55 presentation. He explained that while the progress report had been due on April 1, 2019, staff had
56 been unaware of the requirement to hold a Public Hearing as well due to recent changes in state
57 law, explaining why the progress report was being heard that day. He stated that staff prepares and
58 sends in an annual review to OPR (Governor's Office of Planning and Research) as well as HCD
59 (California Department of Housing and Community Development), which is a numeric and
60 narrative review of the Counties achievements toward implementation of the Housing Element.
61 He reviewed the changes made by Assembly Bill 879 (Grayson) to reporting requirements, and
62 explained the various tables and other data included within the report. Regarding Environmental
63 review, the annual report itself was not considered a project pursuant to CEQA, as it does not result
64 in direct or indirect physical changes in the environment, and it does not direct any physical
65 development. He concluded his presentation with staff recommendations.

66
67 Chair Duncan thanked Planner Kelley and asked for questions of staff.

68
69 Commissioner Johansen first commended staff for writing the report. He then asked about the 31
70 unit senior center in Penn Valley which initially came forth in 2018 and was approved in 2019.

71
72 Principal Planner Tyler Barrington answered that the project site was rezoned as part of the overall
73 Nevada County Housing Element Rezone program, which established a by right use for that
74 property. He added that the developer has been working with the Regional Housing Authority. The
75 project entitlements were used as part of the Housing Element, however the design elements were
76 part of the Regional Housing Combining District, which is a requirement to be able to come forth
77 to the Planning Commission for their review. His understanding was that they were still seeking
78 tax credits and other funding to actually construct the project.

79
80 Chair Duncan opened public comment at 1:44 p.m., and closed it at 1:45 p.m. as no parties came
81 forward.

82
83 Chair Duncan observed that previously the Housing Element did not have any teeth in
84 enforcement, unless they had policies that did not conform to state regulations. She felt that this
85 was a step toward a point in time when performance was incumbent upon the jurisdictions before
86 additional funds and grants would be authorized.

87
88 Planner Barrington affirmed that was correct. While the report had been required for some time,
89 bringing the report to the Planning Commission and holding a Public Hearing was a new
90 requirement.

91
92 Chair Duncan stated that after so many years of having zeroes in boxes, she believed that there
93 would come a point where the State would want something done. She believed that the partnerships
94 with the Housing Authority and other nonprofits would be of key importance.

95
96 **Motion by Commissioner Coleman-Hunt** to accept the 2018 Housing Element Annual Progress
97 Report shown in Attachment 1, making finding A. **Second by Commissioner Johansen. Motion**
98 **carried on a voice vote 4/0. (Commissioner Aguilar was absent.)**

100 **PLN19-0021; GPT19-0001; EIS19-0001:** The Nevada County Planning Commission will hold a
101 public hearing to consider and make recommendations to the Nevada County Board of Supervisors
102 to adopt a Resolution approving the proposed revisions to the Nevada County General Plan,
103 Chapter 8, Housing Element (GPT19-0001) that was previously adopted by Nevada County in
104 2014. State Housing Element Law (Government Code Section 65580 (et.seq.)) mandates that local
105 governments must adequately plan to meet the existing and projected housing needs of all
106 economic segments of the community. Upon its adoption, the 2019-2027 Housing Element will
107 become part of the Nevada County General Plan. In addition to the Resolution, consideration and
108 recommendation to Board of Supervisors to adopt the Negative Declaration (EIS19-0001)
109 prepared in accordance with the California Environmental Quality Act (CEQA) for the proposed
110 amendments to the Nevada County General Plan, Chapter 8, Housing Element. **PROJECT**
111 **LOCATION:** Unincorporated area of Nevada County. **RECOMMENDED**
112 **ENVIRONMENTAL DETERMINATION:** Recommend adoption of the Negative Declaration
113 (EIS19-0001). **RECOMMENDED PROJECT ACTION:** Recommend approval and adoption of
114 the Resolution approving the revisions to the Nevada County General Plan, Chapter 8, Housing
115 Element. **PLANNER:** Matt Kelley, Senior Planner

116
117 Senior Planner Matt Kelley began his presentation on the update to the Housing Element. He
118 explained that the Housing Element is one of seven mandatory elements to the General Plan, and
119 requires periodic updating which is reviewed and certified by the State Department of Housing
120 and Community Development. He reviewed the timeline for the project, including public
121 workshops, reviews, and today's public hearing. He reviewed key housing element requirements,
122 such as review of the previous housing element and new state laws, housing need allocation,
123 community profile, and housing needs assessment, as well as at risk housing analysis, citing a
124 recent example of a housing complex in Penn Valley which had been at risk of losing its
125 affordability.

126
127 Planner Barrington added that the Board of Supervisors and a partner had worked together on an
128 agreement on a 42 unit housing complex in Penn Valley that was at risk to becoming market rate,
129 keeping it affordable.

130
131 Planner Kelley resumed his presentation with a resource inventory, housing constraints, and
132 quantified objectives such as new construction, rehabilitation, and conservation. Other key
133 elements such as goals, policies, and programs were also updated, including the addition of
134 Environmental Justice. He reviewed the accommodation of the Regional Housing Need Allocation
135 with comparison by year, as well as minor changes made to the Housing Element such as removal
136 of unsuccessful programs and clarifying language. Based on direction from the Board of
137 Supervisors, staff was asked to identify incentives for development of housing affordable to
138 Above-Moderate (Missing Middle) income range 120-195 percent above Area Median income.
139 As a result of public input, staff also made changes which included the Counties review of all
140 residential subdivisions and multifamily housing developments for consistency with fire safety
141 policies, amendments to reflect recent changes to the ADU Ordinance, and an amendment to
142 encourage builders and property owners to utilize "stock" housing plans to reduce housing cost.
143 Planner Kelley discussed the changes made based on recommendations from the HCD, including
144 changes to the Land Inventory Methodology, the addition of several programs, language changes,
145 and changes to housing constraints. Planner Kelley concluded his presentation with staff
146 recommendations.

148 Chair Duncan asked for questions for staff.

149

150 Commissioner Coleman-Hunt asked if the County does not track housing affordability, how staff
151 based their assumptions for the report.

152

153 Planner Kelley answered that they had taken a conservative approach to make assumptions on the
154 affordability of housing. In a development project, it is not part of the application process to ask
155 what income category it would be available to. However, in order to show the State that we were
156 able to meet our Regional Housing Needs Allocation, conservative assumptions were made which
157 had been carried forward from subsequent Housing Elements.

158

159 Planning Director Brian Foss added that the assumptions are based on the State accepted
160 methodology. The State does not require certain affordability, although it may appear so. They
161 accept and establish affordability at different levels through different densities. He added that R3,
162 the highest density at 15 or 16 units, is considered to be low and very low, whereas moderate and
163 above moderate are on the larger parcels which are inherently more expensive.

164

165 Commissioner Coleman-Hunt thanked staff for their answer. She added that she was very
166 impressed with the report and commended staff on the thoroughness and level of research done.
167 She asked a question regarding the General Plan in the Land Use Element, policy 1.4.4, which
168 referred to a Special Development Area. She believed that the policy stated that once the
169 population within the County exceeded 105, 000, that a new Special Development Area would be
170 designated in an agricultural area currently known as Newtown. She believed that the County was
171 currently at 98,000 people or so, and was curious how that area was being treated.

172

173 Planner Barrington answered that the Newtown area was a Special Development Area designated
174 in the 1995 General Plan when growth was different. The policy essentially stated that
175 development cannot be considered at that site until the County reaches a certain population. He
176 added that particular site was not used to count toward the vacant sites to meet the Regional
177 Housing Need Allocation.

178

179 Commissioner Coleman-Hunt thanked Planner Barrington for his answer.

180

181 Commissioner Bullock thanked staff for their work on the project and stated it was well done, he
182 also thanked staff for their involvement with the Mountain Housing Council. He stated that
183 housing in his neck of the woods (Truckee) was down to a critical level, and he appreciated the
184 work and forethought that has gone in to solving that problem.

185

186 Planner Barrington noted that the Missing Middle policy was a product of the Mountain Housing
187 Council to help address the needs in Truckee.

188

189 Commissioner Bullock asked if different terminology was being used in this report for workforce
190 housing.

191

192 Director Foss answered that he believed the Missing Middle was intended to be the same thing as
193 workforce housing.

194

195 Commissioner Johansen asked for clarification that the Special Development Area would come
196 into effect at 125,000, not 105,000.

197
198 Planner Barrington confirmed that it was 105,000.
199
200 Commissioner Johansen asked for clarification on Table 8.29 and asked why it did not show AG,
201 AE or FR.
202
203 Planner Kelley answered that the agricultural and forest zoning parcels were discussed within the
204 Housing Element itself.
205
206 Chair Duncan stated that land was not included in that table.
207
208 Planner Kelley affirmed that was correct because it was assumed that agricultural and forest zoned
209 parcels would allow for single family residential development based on the Zoning Code. The
210 number of acres within agricultural and forest zones was accounted for within the Housing
211 Element.
212
213 Planner Barrington added that agricultural and forest zoned properties were not included due to
214 the number of parcels that are undeveloped and because adequate sites were available within other
215 zonings.
216
217 Commissioner Johansen asked if with employee housing, which is low income and affordable
218 housing where they can go to density plus one on a non-discretionary permit, why it was not
219 included in affordability. He stated that would open a significant amount of housing within the
220 community, and would be clustered off of important farmland.
221
222 Planner Barrington answered that if the proposed farm worker housing goes through, it would be
223 included within the annual report as affordable housing. He added that when a category is
224 determined to meet low and very low, the State requires that we demonstrate that there is a history
225 of that sort of development in the County. At this time we do not have strong documentation of
226 developing and improving farm worker housing that could be relied on, such as with mobile homes
227 or accessory dwelling units which are quantifiable. Should we experience an influx of farm worker
228 housing over the next 8 years, staff would begin counting those.
229
230 Commissioner Johansen laughingly asked if yurts were allowed, they would be included.
231
232 Chair Duncan clarified that there was a definition of permanent versus temporary for farm worker
233 housing.
234
235 Planner Barrington answered that was correct.
236
237 Commissioner Johansen asked for confirmation that we would have to prove that farm worker
238 housing was being developed.
239
240 Planner Barrington affirmed that was correct.
241
242 Commissioner Johansen said that low income and farm worker housing would qualify as special
243 housing needs.
244
245 Planner Barrington stated that was correct.

246
247 Commissioner Johansen stated that the fire standards within the Housing Element were not new,
248 they were already included on discretionary use permits projects.
249
250 Planner Barrington answered that was correct. As a general practice the County required
251 developments to be reviewed for that, the thought was it would be adequate to add it as a policy to
252 the Housing Element to help codify that it was part of the general process.
253
254 Commissioner Johansen asked for clarification that it would be for discretionary use permits.
255
256 Planner Barrington answered it would also include subdivisions.
257
258 Commissioner Johansen asked if farm worker or employee housing would be included.
259
260 Planner Barrington answered it would not, however it would still need to meet applicable fire safe
261 standards.
262
263 Commissioner Johansen stated that many of them were at the end of roads, and met the same
264 practical effects as 4290 standards.
265
266 Planner Barrington stated that hadn't changed.
267
268 Commissioner Johansen stated that he believed that manufactured homes hadn't been able to
269 receive financing for some time, and asked if Tri Counties was now offering that as well as other
270 banks.
271
272 Planner Kelley answered that he had spoken with Wells Fargo Bank, not Tri Counties, who stated
273 that they did allow for financing on manufactured homes on permanent foundations.
274
275 Commissioner Johansen asked if that was a change for them.
276
277 Planner Kelley answered that based on his discussion with them, they had allowed it for quite some
278 time as manufactured homes on permanent foundations were considered real property, however if
279 they were on tie downs they were not considered real property.
280
281 Commissioner Johansen asked if central pier tie downs were allowed here.
282
283 Planner Kelley answered he did not believe that was allowed, all manufactured homes needed to
284 be on a permanent foundation.
285
286 Planner Barrington added that was unless they were in an established mobile home park.
287
288 Chair Duncan clarified that it would then be on the HCD roles.
289
290 Planners Barrington and Kelley confirmed that was correct.
291
292 Chair Duncan asked for any other questions of staff.
293
294 Chair Duncan opened public comment at 2:26 p.m.

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Susan Healy-Harmon of Forest Spring Mobile Home Park in Grass Valley came forward and introduced herself to the Commission and stated she appreciated the work that had gone into this report. She stated that as a senior that resides in a senior mobile home park, she was very concerned about affordable housing. The report listed manufactured and mobile homes together as meeting the needs of low and very low income residents and in housing affordability assumptions. She stated that affordable housing meant different things to different people, and she wished to offer her perspective on some of the assumptions that were made within the update. She added that it was meant as information, not criticism of the report. She stated that loans were not available through HUD or FHA for a mobile home park such as hers and others in the area, and that only 2 private mortgage companies would provide mortgage loans to residents, whose rates were 8-9% minimum. Of the people that she knew with those loans, they were paying \$500 to \$700 a month if not more. She believed that the report listed manufactured homes outside of a mobile home park as having mortgages of \$372 a month. She stated that the space rent within a mobile home park ranges from \$600 to \$1000 a month with some parks allowing RV hookups who were in the \$550 a month range. Regarding utilities, the report assumed \$150 a month, however in her park during the winter it was \$250 to \$350 a month or more, with summer ranging anywhere from \$185 to \$250 a month which is considerably more. Additionally, the space rents within mobile home parks increase annually 4-4.5%. She added that since she had moved in, her personal rent had gone from \$428 a month to \$770 a month. She added that there was a current trend within the state and this general area in which large LLCs were purchasing mobile home parks and increasing the rents substantially, averaging a 15% to 25% increase. She stated that those sort of purchases have occurred in this area, and currently two mobile home parks were for sale. She added that just like everyone else who lives in the country, their homeowners insurance is being cancelled, making it necessary to find and purchase more expensive homeowners insurance, which is difficult for mobile home owners. She added that generally those who are living in mobile home parks are low income or middle income, as well as those on fixed incomes. The affordability environment in mobile home parks was changing, resulting in what they call economic eviction in many parks, as they can no longer afford the increased rents. She was also surprised that senior housing was not included within Special Housing, considering the County has one of the highest senior populations in the state. She wanted to a make the Commission aware that mobile homes and parks, which have traditionally been affordable housing, are certainly seeing a change.

Chair Duncan thanked Ms. Healy-Harmon and asked if anyone else would like to speak.

Chair Duncan closed public comment at 2:32 p.m. and asked if Planner Kelley had any comments to add.

Planner Kelley stated that much of the information within the report was received from the Assessor's Office, as well as from Forest Springs Mobile Home Parks website. If it was the desire of the Commission, he said that he could update the information further and make additional changes.

Chair Duncan stated that the rising cost of staying in a mobile home park was a continuing concern. Historically it had been viewed as a bastion of affordability, and that HCD was concerned enough about it to institute grant programs to allow residents to buy their parks in order to control their cost. She added that they may actively want to encourage staff working with residents to see if those were viable options.

344 Planner Barrington wished it to be known that the information provided was the best available at
345 the time of preparing the update. He stated that it could be looked at more as we go further into
346 the update.

347
348 Chair Duncan stated that they would hate to lose the units we do have which count towards
349 affordability.

350
351 Commissioner Bullock asked if there was a specific program in the Programs and Policies section
352 which would help that specific issue, such as deed restriction or assistance, or economic eviction
353 prevention.

354
355 Planner Kelley stated there were.

356
357 Commissioner Bullock was hoping to point out what was available for the commenter regarding
358 the things being done to contribute to the solution to that problem.

359
360 Chair Duncan stated that the concern was the ongoing rising cost, and that several years ago they
361 had approved an expansion program for Forest Springs which was welcomed. She wondered if
362 there was some reasonable test that the County could consider in terms of rising cost of those
363 facilities to residents.

364
365 Director Foss stated that most of the time the market drives prices unless some sort deed restriction
366 existed on the subdivision or development. Currently incentives were in place to increase densities
367 if they were willing to rent restrict or sale price restrict the lots or units for a certain number of
368 years. The programs were not mandated, they were more of a bonus incentive to place more units
369 on the site and increase housing stock. Many programs do apply to income level of the person, not
370 the development. If a person has a certain income level and they choose to live in a mobile home
371 park they may be eligible for some incentives such as first time home buyer or voucher programs.
372 If there is desire for more control, it generally comes through when a developer proposes additional
373 density which provides the opportunity to apply those restrictions.

374
375 Chair Duncan stated that the red flag was we have a population with a fixed income, and rising
376 costs make it impossible for them to continue living there. She added that one of the goals of
377 having the Housing Element go through this exercise was to provide for all, and she wondered at
378 what role the County could play to assure a level of affordability in some of the existing
379 developments. She stated that most new developments are for single family homes for moderate
380 to upper income.

381
382 Director Foss agreed, and reminded the Commission of the Penn Valley project that had been at
383 risk of losing its affordability, which the County along with a partner worked to keep those units
384 affordable. As a Commissioner for the Regional Housing Authority, they were looking at some
385 apartment complexes off of Dorsey Drive which were potentially about to lose their affordability.
386 Partnering with the Housing Authority to bring in a developer to buy those properties to keep them
387 affordable was a role that the County does play, as well as trying to maintain existing affordable
388 housing stock.

389
390 Chair Duncan stated that perhaps the mobile home parks would need to have that infusion of
391 Housing Authority involvement to insure affordability moving forward.

392

393 Planner Kelley read a policy regarding removing constraints for low income, senior citizens, and
394 households with persons with disabilities, and also read a policy regarding review areas in which
395 constraints could be removed.

396
397 Chair Duncan stated that while those policies were good, they did not specifically address the
398 retention of existing facilities. She asked how we ensure that going forward it remains affordable.
399 While the demand for creating new affordable housing would be there, we could not afford to lose
400 what we already have. She stated that the County may want to consider options to be part of the
401 solution instead of remaining a bystander.

402
403 Commissioner Bullock stated that he believed that the incremental cost of keeping people in a
404 situation that is affordable to them is more affordable than straddling a new development with
405 middle and missing middle requirements.

406
407 Chair Duncan felt that was a good concept which was real. She also asked if they were ready to
408 make a motion.

409
410 **Motion by Commissioner Bullock** to recommend that the Board of Supervisors adopt the
411 attached draft Resolution approving the proposed Negative Declaration (EIS19-0001), finding that
412 the adoption reflects their independent judgement that the project will not result in a physical
413 change to the environment (Attachment 1). **Second by Commissioner Johansen. Motion carried**
414 **on a voice vote 4/0. (Commissioner Aguilar was absent).**

415
416 **Motion by Commissioner Bullock** to recommend that the Board of Supervisors adopt the
417 attached draft Resolution approving the proposed amendments to the Nevada County General Plan
418 Chapter 8, 2019-2027 Housing Element Update (GPT19-0001) (Attachment 2).
419 **Second by Commissioner Johansen. Motion carried on a voice vote 4/0. (Commissioner**
420 **Aguilar was absent).**

421
422 Discussion ensued regarding upcoming Commission meetings and ongoing project statuses.

423
424 **Motion by Commissioner Johansen; second by Commissioner Bullock to adjourn. Motion**
425 **carried on voice vote 4/0.**

426
427 There being no further business to come before the Commission, the meeting was adjourned at
428 2:59 p.m. to the next meeting tentatively scheduled for June 13, 2019, in the Board of Supervisors
429 Chambers, 950 Maidu Avenue, Nevada City.

430 _____

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432 Passed and accepted this 27th day of June, 2019.

433
434 Brian Foss (sp)
435 Brian Foss, Ex-Officio Secretary