

RESOLUTION NO. 2020-0150

Adopted by the Sacramento City Council

May 19, 2020

Resolution Approving the Delta Shores Mixed Income Housing Strategy (P20-003)

BACKGROUND

- A. On April 23, 2020, the City Planning and Design Commission conducted a public hearing on the Third Amendment to the Delta Shores Development Agreement project, and forwarded to the City Council a recommendation to approve the Delta Shores Mixed Income Housing Strategy set forth in Exhibit A.
- B. On May 19, 2020, the City Council conducted a public hearing that was noticed in accordance with Sacramento City Code sections 17.812.010 and 17.812.030 at which it received and considered evidence concerning the Third Amendment to the Delta Shores Development Agreement project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Based on the verbal and documentary evidence received at the hearings held on May 19, 2020, the City Council finds that:
 - 1. The Delta Shores Mixed Income Housing Strategy is consistent with the goals, policies, and other provisions of the general plan and its housing element, in that:
 - a. Key principles from the City's General Plan vision are to provide an equitable distribution of affordable housing throughout the City and to work to end homelessness by providing affordable housing opportunities. (Housing Element, p. H 2-7.) The City's Housing Element acknowledges that "the City's stock of existing affordable housing is more and more strained." (Page H-ES-1.) The Housing Element also acknowledges "a relatively greater need for affordable housing" for the elderly as compared to other groups. (Page H 3-12.) Moreover, "lower-cost apartments have a vacancy rate of just 4 percent, increasing pressures on lower-income families to find affordable housing." (Page H 3-19.) The 15.89 acres of land dedication to the Sacramento Housing and Redevelopment Agency proposed by the Delta Shores Mixed Income Housing Strategy helps ease this strain.

- b. The City's share of regional housing need or the City's Regional Housing Need Allocation (RHNA) is based on SACOG's Regional Housing Needs Plan. Under this plan, Sacramento must accommodate 24,101 new housing units between 2013 and 2021. Of these housing units, 4,944 should be affordable to households earning no more than 50 percent of median income, 3,467 to households earning between 50 percent and 80 percent of median income, 4,482 to households earning between 80 percent and 120 percent of median income, and 11,208 to households earning more than 120 percent of median income. In addition, of the 4,944 units needed for very low-income households, half, or 2,472, are presumed to be needed for extremely low-income households, those making 30 percent or less of median income.
- c. The 2013-2021 Housing Element identifies the following "key findings" (among others) relating to housing needs in Sacramento:
 - ☐ The City should plan to accommodate 24,101 housing units between 2013 and 2021, of which 35 percent should be affordable to lower-income households.
 - ☐ There are over 15,000 subsidized rental housing units in the city, including public housing, of which 1,602 are at risk of converting to market rate housing.
 - ☐ Almost 16 percent of city households have extremely low incomes. Black households, elderly households, and Hispanic households are most likely to have extremely low incomes.
 - ☐ Seniors account for about 11 percent of city residents. Almost 21 percent have extremely low incomes. Among seniors, single women have the lowest median income.
 - ☐ The provision of additional affordable housing proposed by the Delta Shores project helps address the City's need for affordable housing, as identified by the City's Housing Element.
- d. The 15.89 acres of land dedication to the Sacramento Housing and Redevelopment Agency proposed by the Delta Shores Mixed Income Housing Strategy is consistent with the City of Sacramento Housing Element Goals and Policies.

- Goal H-1.2: Housing Diversity. Provide a variety of quality housing types to encourage neighborhood stability. This goal is specifically advanced via adherence to the following policies:
 - Policy H-1.2.1: Variety of Housing. The City shall encourage the development and revitalization of neighborhoods that include a variety of housing tenure, size and types, such as second units, carriage homes, lofts, live-work spaces, cottages, and manufactured/modular housing.
 - Policy H-1.2.2: Compatibility with Single Family Neighborhoods. The City shall encourage a variety of housing types and sizes to diversify, yet maintain compatibility with, single family neighborhoods.
 - Policy H-1.2.4: Mix of Uses. The City shall actively support and encourage mixed use retail, employment, and residential development around existing and future transit stations, centers and corridors.
- Goal H-1.3: Balanced Communities. Promote racial, economic, and demographic integration in new and existing neighborhoods. This goal is specifically advanced via adherence to the following policies:
 - Policy H-1.3.1: Social Equity. The City shall encourage economic and racial integration, fair housing opportunity and the elimination of discrimination.
 - Policy H-1.3.2: Economic Integration. The City shall consider the economic integration of neighborhoods when financing new multifamily affordable housing projects.
 - Policy H-1.3.4: A Range of Housing Opportunities. The City shall encourage a range of housing opportunities for all segments of the community.
 - Policy H-1.3.5: Housing Type Distribution. The City shall promote an equitable distribution of housing types for all income groups throughout the city and promote mixed income neighborhoods rather than creating concentrations of below market rate housing in certain areas.

- Goal H-2.2: Development. Assist in creating housing to meet current and future needs. The project shall utilize financial tools made available by the city pursuant to the following policies:
 - o Policy H-2.2.3: Offsetting Development Costs for Affordable Housing. The city shall defer fees to Certificate of Occupancy to help offset development costs for affordable housing and will offer other financial incentives including, but not limited to, water development fee waivers and sewer credits.
 - o Policy H-2.2.4: Funding for Affordable Housing. The City shall pursue and maximize the use of all appropriate state, federal, local and private funding for the development, preservation, and rehabilitation of housing affordable for extremely low, very low, low, and moderate-income households, while maintaining economic competitiveness in the region.
 - o Policy H-2.2.5: Review and Reduce Fees for Affordable Housing. The City shall work with affordable housing developers as well as other agencies and districts to review and reduce applicable processing and development impact fees for very low and low-income housing units.
2. The Delta Shores Mixed Income Housing Strategy promotes the public health, safety, convenience, and welfare of the city, in that the health and welfare of the City's growing population is of great importance to the City and the ability to live near amenities such as parks, open space, a community center, and commercial activity as proposed by the Delta Shores Mixed Income Housing Strategy promote the public health, safety and welfare of the City by providing additional housing opportunity; and
 3. The Delta Shores Mixed Income Housing Strategy demonstrates how the project will contribute to housing for a variety of incomes and family types consistent with the general plan housing element policy.
 4. The City Council is vested with the discretion to approve the Delta Shores Mixed Income Housing Strategy, including that 15.89 acres of land dedication to the Sacramento Housing and Redevelopment Agency is appropriate to meet the affordable housing needs of the City's population.

Section 2. The City Council hereby approves the Delta Shores Mixed Income Housing Strategy set forth in Exhibit A.

Section 3. Exhibit A is a part of this Resolution

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Exhibit A - Delta Shores Mixed Income Housing Strategy

Adopted by the City of Sacramento City Council on May 19, 2020, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2020.05.29 14:28:57 -07'00'

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

DELTA SHORES

MIXED INCOME HOUSING STRATEGY

I. INTRODUCTION

The Delta Shores project is subject to the City of Sacramento's Mixed Income Housing Ordinance. As explained in more detail below, the Delta Shores project was approved in 2009 under the requirements of the prior version of the Mixed Income Housing Ordinance, City Code Section 17.190. However, in 2015, the City of Sacramento adopted a new Mixed Income Housing Ordinance, City Code Section 17.712, which includes a provision allowing projects approved under the prior Ordinance to "opt-into" the new Ordinance. The Delta Shores project is opting into the new Ordinance. Additionally, the new Ordinance includes a requirement that projects include a "Mixed Income Housing Strategy" that must be approved by the City Council. The Mixed Income Housing Strategy is intended to demonstrate how the project provides housing for a variety of incomes and family types, consistent with the General Plan Housing Element. This document is the Mixed Income Housing Strategy for the Delta Shores project, which will be fully explained below.

II. PROJECT DESCRIPTION

M&H Realty Partners VI, L.P., the owner and "Master Developer" for the Delta Shores project, obtained the first set of entitlement approvals in 2009 with subsequent entitlements approved in 2015. The Delta Shores entitlements are vested by virtue of a Development Agreement dated January 13, 2009.

On January 13, 2009, the Sacramento City Council approved the Delta Shores project, a large master planned community consisting of approximately 782 acres in South Sacramento. The project included a mixture of commercial and residential uses. The specific entitlements that were approved for the Delta Shores project in 2009 include the following:

1. Environmental Impact Report
2. Amendment to the Delta Shores PUD Schematic Plan
3. Amendments to the Delta Shores PUD Guidelines
4. Delta Shores Finance Plan
5. Development Agreement
6. General Plan Amendments
7. Community Plan Amendments
8. Rezones
9. Master Parcel Map
10. Two Tentative Subdivision Maps
11. Inclusionary Housing Plan

Subsequently, on April 16, 2015, the City of Sacramento Planning and Design Commission approved further entitlements for the Delta Shores project that included the following:

1. Environmental Impact Report Addendum
2. Mitigation Monitoring Program
3. Amendments to the PUD Guidelines
4. Site Plan and Design Review
5. Conditional Use Permits

The April 16, 2015 entitlements included Site Plan and Design Review approval for much of the commercial area in Delta Shores.

As mentioned above, Delta Shores is located in the southern portion of the City of Sacramento. Interstate 5 bisects the project site into approximately 120 acres to the west of Interstate 5, and 662 acres to the east of Interstate 5. The western portion of the project site is generally bounded by Freeport Boulevard to the west and the Bartley Cavanaugh Gold Course to the south. The eastern portion of the project site is bounded by the SRCSD buffer lands to the south, existing residential development to the north, and a mix of the underdeveloped land and the Sacramento Job Corps facility to the east.

As noted previously, the 2009 entitlements included a Tentative Master Subdivision Map. Master parcels were delineated for residential, commercial and parks/open space uses. Some of the residential master parcels, such as the High Density Residential (HDR) parcels, are parcels identified on the Tentative Subdivision Map, which will not require further subdivision, while other parcels are subject to further subdivision for single-family lots or other development consistent with the Planned Unit Development Guidelines (“PUD”). Along with delineating lots for future development, the Master Parcel Map provides dedications and easements for backbone infrastructure, such as detention basins, wetland areas, the Cosumnes River Boulevard extension, and the 24th street extension. The Master Parcel Map also allowed for the construction of a new Interstate 5 interchange that provides direct access to the project from the freeway.

There are two single family subdivisions that were approved with the Master Parcel Map. The Delta Shores West Tentative Map comprises 88.5± acres west of Interstate 5 and is bounded by the town of Freeport to the west and the Bartley Cavanaugh golf Course to the south. Access to this subdivision is via Freeport Boulevard and the Interstate 5 interchange. This subdivision map consist of 240 standard single-family lots, and 110 higher density, or “alternative”, single-family lots. The “alternative” single-family lots are located at the norther portion of the subdivision and have alley access.

On-site pedestrian and bicycle access is provided via a number of on and off-street trails that work in conjunction with the planned parks to provide pedestrian and bicycle access through the Delta Shores PUD and to adjacent neighborhoods. The Master Developer has provided a trails plan as part of the PUD that depicts features such as off-street multi-use trails, on street bike lanes, and widened sidewalks.

Off-street trails provide access and recreation opportunities throughout the PUD on both the east and west sides of Interstate 5. On-street bike lanes are proposed to provide bicycle circulation within the PUD. The bike lanes are 8-feet wide and are proposed to be included on most of the major streets in the project. The bike lanes will connect to existing neighborhoods at 24th street, Manorside Drive, and Cosumnes River Boulevard.

The Delta Shores PUD Guidelines are organized into the following sections: Introduction, Residential Neighborhoods, Commercial Centers, Mixed-Use Town Center, Parks and Open Space, Circulation and Streetscape, Public Facilities and Landscape Design. The Delta Shores PUD envisions new neighborhoods linked to existing communities. The PUD promotes varied housing densities ranging from detached single-family homes to high density mixed-use residential units.

Two Commercial Centers are provided for within the PUD; a Regional Retail Center, with a Village Center Plaza, and a Mixed-Use Town Center. The Regional Retail Center is substantially developed and is designed to serve the South Sacramento region with up to 1.3 million square feet of commercial and retail uses. This center is located adjacent to Interstate 5 on the east side. The main portion of the Regional Retail site is to the south of Cosumnes River Boulevard, with a 24.7± acre Regional Commercial/Retail/Office site provided for on the north side of Cosumnes River Boulevard.

The PUD also includes a Mixed-Use Town Center on the east side of the project site south of Cosumnes River Boulevard. The Town Center is proposed to be approximately 20 acres consisting of high density residential and up to approximately 161,000 square feet of community serving commercial uses. The Town Center will be built around a water quality basin/wetlands area that will serve as an amenity to the surrounding development. Surrounding the Town Center is a school site, a 26± acre community park, and a mix of medium to high density residential uses.

The Parks and Open space section of the PUD covers public and private open spaces including the Community Park, Neighborhood Parks, wetland areas, Mini Parks, and Pocket Parks to Plazas, trails and small public places. This section provides both the basis for providing parks of varying sizes as well as park characteristics and guidelines for developing the parks. Aside from providing development guidelines for the various parks, the PUD also provides discussion on the wetlands preserve area that will serve as a natural amenity within the proposed PUD.

The PUD Schematic Plan works in concert with the PUD Guidelines to provide a land use plan consisting of open space, circulation, and development sites to form an integrated master project site justifying exceptions to the normal regulations of the zoning code. The PUD offers more flexibility in the overall review of future projects in the Delta Shores PUD. Staff will evaluate future projects in conjunction with the intent of the PUD Guidelines and PUD Schematic Land Use Plan.

The following illustrates the distribution of land uses within the PUD schematic Plan area:

Schematic Plan Land Uses

Land Use Designation	Proposed (ac)
Low Density Residential (4-7 units/acre)	136.89
Medium Density Residential (8-14 units/acre)	178.04
High Density Residential (15-27 units/acre)	64.36
Mixed-Use (23-29 units/acre)	19.93
Commercial	127.40
Public/Quasi Public	6.67
Parks/Open Space	144.50
Schools	19.90
Streets/Circulation	84.44
Total	782.13

III. Vested Development Rights

As noted above, the Delta Shores project approvals include a Development Agreement. The intent and effect of the Development Agreement is, in part, to vest the development regulations that were in place at the time of the Development Agreement approval for the entire term of the Agreement. This is evidenced by Delta Shores Development Agreement Section II (5)(A) that provides as follows:

Permitted Uses and Development Standards. Subject to the Special Conditions set forth in Exhibit C, attached hereto and incorporated herein by this reference (herein the “Special Conditions”), any reserved discretionary approvals specified in this Agreement, and all other terms and conditions of this Agreement, LANDOWNER may develop the Property in accordance with and subject to the terms and conditions specified in the Land Use and Development Regulations in effect on the Effective Date, or, where applicable, the Development Plan, as set forth in Exhibit B, attached hereto and incorporated herein by this reference. Specifically, the permitted uses, density or intensity of use, height or size of buildings and provisions for reservation and dedication of land for public purposes shall be as set forth in the Development Plan and all land use entitlements.

In addition to the provision above, Delta Shores Development Agreement Section II (5)(E)(1) provides as follows:

Subject to the Special Conditions specified in Exhibit C, development of the Property shall be subject to the Land Use and Development Regulations applicable to such development on the Effective Date.

Delta Shores Development Agreement Section I defines Land Use and Development Regulations as follows:

The Zoning Ordinance, Subdivision Ordinance, and other provisions of the City Code (including the Sign Code) applicable to the Development of the Property, together with the PUD Guidelines approved by the City and any other City ordinances, resolutions, rules, regulations and official policies of the City as they exist on the Effective Date, which govern or regulate land use and/or development in the Community Plan area which encompasses the Property.

Delta Shores Development Agreement Section I defines Effective Date as:

The date upon which the Adopting Ordinance becomes effective (not the date on which this Agreement has been approved by the City Council).

The Delta Shores Development Agreement Adopting Ordinance was approved on January 13, 2009 and became effective thirty (30) days later on February 12, 2009. Consequently, the Delta Shores project is subject only to those Land Use and Development Regulations that were in effect as of February 12, 2009, the Effective Date of the Development Agreement. Thus, Delta Shores is subject to the General Plan, Community Plan, Zoning Ordinance and other standards as they existed as of the effective date of the Development Agreement. However, while Delta Shores vested the prior Mixed Income Housing Ordinance that was in effect at the time that the project was approved, as previously noted, Delta Shores has nonetheless elected to op-into the current Mixed Income Housing Ordinance.

IV. Mixed Income Housing Ordinance

As mentioned above, Delta Shores has elected to be subject to the requirements of the Mixed Income Housing Ordinance, City of Sacramento City Code Chapter 17.712, adopted September 1, 2015. The Mixed Income Housing Ordinance requires that proposed residential projects in excess of 100 gross acres obtain City Council approval of a “Mixed Income Housing Strategy” that demonstrates how the project provides housing for a variety of incomes and household types consistent with General Plan Housing Element.

Delta Shores has vested the General Plan that was in place when the project was approved in 2009. As part of the approval process, the City Council determined that the project was consistent with the General Plan Housing Element, as set forth in the adopted findings for both Resolution No. 2009-034 and Resolution No. 2009-035, which are attached as Exhibit A. However, while

not applicable to the Delta Shores project, the project is also nonetheless compliant with the Housing Element goals and policies of the 2035 General Plan, as provided for in Exhibit B. As such, the requirement of the current Mixed Income Housing Ordinance, which requires compliance with the General Plan Housing Element has been met under both the current Ordinance and the Ordinance that was in effect when the project was approved in 2009.

V. Housing Strategy

The Mixed Income Housing Strategy for Delta Shores is comprised of the following two primary components, 1) project design, and 2) the dedication of land for the provision of affordable units.

a. Project Design

This Mixed Income Housing Strategy for Delta Shores is premised on a design that achieves a significant measure of balance as its hallmark. A balanced community puts into action the goals of the Mixed Income Housing Ordinance in terms of providing housing for a variety of incomes and household types. Community balance is a philosophy that strategically provides for a diversity of housing in terms of size, style, pricing, location and amenities. Community balance incorporates parks and carefully thought out circulation plans to link and connect all areas of the project. Community balance integrates a community comprised of all segments of the population. Large master planned communities such as Delta Shores provide the opportunity to design and execute a balanced community philosophy. Following are several components of the project design that were employed in order to achieve a balanced community at Delta Shores.

1. Smart Growth Principles

The Sacramento City Council adopted a set of Smart Growth Principles in order to promote growth that is economically sound, environmentally friendly, and supportive of community livability. Delta Shores is consistent with the Smart Growth Principles in that it provides a compact mix of commercial and residential land uses that creates a range of housing and employment opportunities. Additionally, Delta Shores concentrates new development on a site that has been slated for urban development for nearly thirty-five years. The Delta Shores project also includes a land use plan and circulation plan that fosters a walkable community and encourages multi-modal transportation and land use patterns that support walking, cycling, and public transit. Such projects allow for progressive growth management by providing a range of housing choice in an area typified by single-family homes on large lots.

2. General Plan Update Vision and Guiding Principles

The City adopted the General Plan Update Vision and Guiding Principles in 2005 to capture a vision for the City's key values and aspirations for Sacramento's future. Delta Shores is consistent with many of the adopted principles and the following are the highlights:

- Encourage sustainable levels of energy and resource consumption through efficient land-use, transportation, building design, construction techniques, waste management, and other infrastructure systems.
- Preserve and protect important historic and cultural resources that serve as significant, visible reminder of the City's social and architectural history.
- Improve and expand the urban forest that contributes to the uniqueness of Sacramento: the City of Trees.
- Improve the jobs-housing balance by siting housing near employment centers.
- Include a mix of housing types within neighborhoods to promote a diversity of household types and housing choices for residents of all ages and income levels in order to promote stable neighborhoods.
- Locate and design building, streetscapes, and public spaces that contribute to walkable neighborhoods.
- Create a vibrant regional center that serves as a destination for the residents of South Sacramento.

b. Dedication of Land for the Construction of Affordable Units

The Mixed Income Housing Ordinance, City of Sacramento City Code Chapter 17.712, requires the approval of a Mixed Income Housing Strategy that obligates a developer to provide for affordable housing. The obligation can be satisfied through the payment of housing impact fees, land dedication, construction of affordable housing units, or through a combination of these options. This Mixed Income Housing Strategy provides for the dedication of land by the Master Developer to the Sacramento Housing and Redevelopment Agency (SHRA) consistent with the guidelines established pursuant to City Code Section 17.712.090 in order to fully satisfy the Master Developer's obligations under the Mixed Income Housing Ordinance.

To meet the requirements of the valuations of the dedicated land, the Master Developer has identified Planning Area 2 and Planning Area 3 (Planning Areas) on the attached Exhibit C, which are two of the five planning areas that were originally approved and adopted by Sacramento City Council on January 13, 2009 (Resolution 2009-031). Planning Area 2 has 10.01 acres and Planning Area 3 has 5.88 acres for a total of 15.89 net buildable acres. Based on SHRA's guidelines for land dedication under the Mixed Income Housing Ordinance, the 15.89 buildable acres of land

identified for dedication can accommodate 429 affordable housing units, which corresponds to a total capacity of 5,921 market rate homes at Delta Shores¹.

The Master Developer will not develop the dedicated land for affordable housing uses within the Delta Shores project. Prior to dedication and SHRA taking ownership of the Planning Areas, necessary off-site infrastructure must be constructed, including street, curb/gutter, sidewalk, sewer, water, gas, electric, and other infrastructure and stubbed to the lot.

Pursuant to SHRA requirements, it is acknowledged that the dedicated land is zoned for multifamily residential uses and that the dedicated sites are located within a ¼ mile of at least three of the following amenities:

- An existing or planned public elementary, middle, or high school;
- An existing or planned public park or recreational facility;
- An existing or planned transit stop;
- An existing or planned grocery store.

Concurrency

Building permits may not be issued for more than 50 percent of the market rate homes prior to dedication of the Planning Areas to SHRA.

When fee credits are obtained through land dedication, appropriate zoning (except site plan and design review for the affordable development proposed on the dedicated sites) shall be in place prior to recordation of the final map for the development project. The final map for the development project shall be conditioned upon:

- The recordation of an Affordable Housing Regulatory Agreement on the dedicated site;
- Transfer of title of the dedicated site to SHRA; and
- Delivery of infrastructure necessary to accommodate the affordable housing component at the dedicated site.

¹ The current Housing Impact Fee is 2.78/square foot, and the current average Public Subsidy per Affordable Unit is \$90,436. SHRA calculates each project's land dedication requirement by: (1) multiplying total square footage of the proposed residential housing by the then-current Housing Impact Fee; (2) dividing that product by the current Public Subsidy/Unit; and, (3) then by dividing that quotient by the maximum number of affordable housing units permitted to be constructed per acre. The final quotient is the total number of acres that must be dedicated pursuant to Code Section 17.712.030(1)(a).

Based on the calculation method described above, the amount of market rate housing permitted for dedication of 15.89 acres is calculated as follows: 6,350 total units (5,921 Market Rate Units; 429 Affordable Units) x 2,200 sq./ft. per unit (average sq./ft. per unit) x \$2.78 per/unit = 38,836,600 ÷ \$90,456 per affordable housing unit = 429 affordable units. Because 27 units per acre are permitted for the land identified for dedication, 15.89 acres of dedicated land is necessary to accommodate 429 affordable units.

VI. Conclusion

Delta Shores has opted into the requirements of the 2015 Mixed Income Housing Ordinance, which requires projects over 100 acres in size to obtain City Council approval of a Mixed Income Housing Strategy that demonstrates how the project provides housing for a variety of incomes and family types consistent with the General Plan Housing Element. The Master Developer is dedicating land for the provision of affordable housing in order to fully satisfy the Delta Shores project's obligations under the Mixed Income Housing Ordinance.

Exhibit A

Resolution No. 2009-034 & Resolution No. 2009-035

RESOLUTION NO. 2009-034

Adopted by the Sacramento City Council

January 13, 2009

AMENDING THE DELTA SHORES PLANNED UNIT DEVELOPMENT (PUD) GUIDELINES AND SCHEMATIC PLAN TO DEPICT THE DELTA SHORES PUD DEVELOPMENT (P06-197)

BACKGROUND

- A. On December 11, 2008, the Planning Commission conducted a public hearing on, and forwarded to the City Council the Delta Shores PUD Project with no recommendation; and
- B. On January 13, 2009, the City Council conducted a public hearing, for which notice was given pursuant to Sacramento City Code sections 17.180.050(D), and received and considered evidence concerning the Delta Shores PUD Project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1 Based on the verbal and documentary evidence received at the hearing on the Delta Shores PUD Project, the City Council approves the Delta Shores Schematic Plan Amendment and Delta Shores Development Guidelines Amendment for the Delta Shores PUD.
- Section 2 The City Council approves the amended Delta Shores PUD Schematic Plan and Development Guidelines based on the following Findings of Fact:
 - 1. The PUD amendment conforms to the General Plan and the Airport Meadowview Community Plan; and
 - 2. The PUD amendments meet the purposes and criteria stated in the City Zoning Ordinance in that the PUD facilitates mixed uses designed to assure that new development is healthy and of long-lasting benefit to the community and the City; and
 - 3. The PUD Amendments will not be injurious to the public welfare, nor to other property in the vicinity of the development and will be in harmony with the general purposes and intent of the Zoning Ordinance in that the PUD ensures that development be well-designed, and that the residential uses will not create a negative impact on adjacent uses.
- Section 3 The Schematic Plan and Development Guidelines for the Delta Shores PUD are amended as attached hereto as Exhibit A and Exhibit B, respectively, subject to the following Conditions of Approval:

1. Site access to individual parcels will be determined as part of the Special Permit review process. Good engineering practices will be utilized in the access review. Site access shall be at the discretion of the Department of Transportation
2. All proposed PUD elements within public right-of-way (Street Cross-Sections, Landscaping etc) shall be to City Standards and at the discretion of the Department of Transportation.
3. The applicant shall provide a temporary fire station prior to the issuance of the first Certificate of Occupancy in the regional commercial center. A permanent fire station shall be provided prior to the issuance of the first residential building permit with the exception of the residential units to the west of Interstate 5, and the single family residential lots to the north of Delta Shores Circle North between Master Parcel Map Park Lot P-6 and 24th Street. The installation of these stations shall be to the satisfaction of the Fire Department.

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Exhibit A: Delta Shores Amended PUD Schematic Land Use Plan

Exhibit B: Delta Shore PUD Guidelines

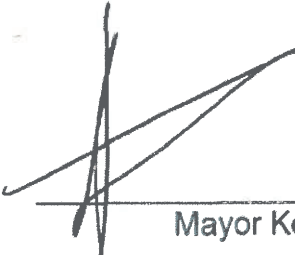
Adopted by the City of Sacramento City Council on January 13, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: Councilmember McCarty.

Abstain: None.

Absent: None.



Mayor Kevin Johnson

Attest:



Shirley Concolino, City Clerk

RESOLUTION NO. 2009-035

Adopted by the Sacramento City Council

January 13, 2009

RESOLUTION TO APPROVE THE DELTA SHORES PUD PROJECT ENTITLEMENTS (P06-197)

BACKGROUND

- A. On December 8, 2008, the Planning Commission conducted a public hearing on, and forwarded to the City Council the Delta Shores PUD Project with no recommendation; and
- B. On January 13, 2009 the City Council conducted a public hearing, for which notice was given pursuant to Sacramento City Code sections 16.24.0907, and 17.200.010(C), and received and considered evidence concerning the Delta Shores PUD Project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1 Based on the verbal and documentary evidence received at the hearing on the Delta Shores Project, the City Council approves the Project entitlements based on the findings of fact and subject to the conditions of approval as set forth below.
- Section 2 The City Council approves the Project entitlements based on the following Findings of Fact:
 - A. The **Tentative Master Subdivision Map** to subdivide forty-three (43) parcels totaling 782+ acres into sixty-four (64) master parcels **is approved** based on the following Findings of Fact:
 - 1. None of the conditions described in Government Code Section 66474, subsection (a) through (g), inclusive, exist with respect to the proposed subdivision as follows:
 - a. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City's General Plan, all applicable community and specific plans, and Title 16 of the City Code, which is a specific plan of the City;
 - b. The site is physically suitable for the type of development proposed and suited for the proposed density;

- c. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife their habitat;
 - d. The design of the subdivision and the type of improvements are not likely to cause serious public health problems;
 - e. The design of the subdivision and the type of improvements will not conflict with easements, acquired by the public at large, for access through or use, of, property within the proposed subdivision.
- 2. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City General Plan and Title 16 Subdivisions of the City Code, which is a specific plan of the City (Gov. Code §66473.5);
 - 3. The discharge of waste from the proposed subdivision into the existing community sewer system will not result in a violation of the applicable waste discharge requirements prescribed by the California Regional Water Quality Board, Central Valley Region, in that existing treatment plants have a design capacity adequate to service the proposed subdivision (Gov. code §66474.6);
 - 4. The design of the proposed subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities (Gov. Code §66473.1);
 - 5. The City Council has considered the effect of the approval of this Tentative Master Subdivision Map on the housing needs of the region and has balanced these needs against the public service needs of its residents and available fiscal and environmental resources (Gov. Code §66412.3).
- B. **The Delta Shores East Tentative Subdivision Map** subdivide 98.70± acres into 423 lots **is approved** based on the following Findings of Fact:
- 1. None of the conditions described in Government Code Section 66474, subsection (a) through (g), inclusive, exist with respect to the proposed subdivision as follows:
 - a. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City's General Plan, all applicable community and specific plans, and Title 16 of the City Code, which is a specific plan of the City;
 - b. The site is physically suitable for the type of development proposed and suited for the proposed density;
 - c. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife their habitat;

- d. The design of the subdivision and the type of improvements are not likely to cause serious public health problems;
 - e. The design of the subdivision and the type of improvements will not conflict with easements, acquired by the public at large, for access through or use, of, property within the proposed subdivision.
 - 2. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City General Plan and Title 16 Subdivisions of the City Code, which is a specific plan of the City (Gov. Code §66473.5);
 - 3. The discharge of waste from the proposed subdivision into the existing community sewer system will not result in a violation of the applicable waste discharge requirements prescribed by the California Regional Water Quality Board, Central Valley Region, in that existing treatment plants have a design capacity adequate to service the proposed subdivision (Gov. code §66474.6);
 - 4. The design of the proposed subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities (Gov. Code §66473.1);
 - 5. The City Council has considered the effect of the approval of this Tentative Master Subdivision Map on the housing needs of the region and has balanced these needs against the public service needs of its residents and available fiscal and environmental resources (Gov. Code §66412.3).
- C. The **Delta Shores West Tentative Subdivision Map** to subdivide 87.44± acres into 348 lots is approved based on the following Findings of Fact:
- 1. None of the conditions described in Government Code Section 66474, subsection (a) through (g), inclusive, exist with respect to the proposed subdivision as follows:
 - a. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City's General Plan, all applicable community and specific plans, and Title 16 of the City Code, which is a specific plan of the City;
 - b. The site is physically suitable for the type of development proposed and suited for the proposed density;
 - c. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife their habitat;
 - d. The design of the subdivision and the type of improvements are not likely to cause serious public health problems;

e. The design of the subdivision and the type of improvements will not conflict with easements, acquired by the public at large, for access through or use, of, property within the proposed subdivision.

2. The proposed subdivision, together with the provisions for its design and improvement, is consistent with the City General Plan and Title 16 Subdivisions of the City Code, which is a specific plan of the City (Gov. Code §66473.5);
3. The discharge of waste from the proposed subdivision into the existing community sewer system will not result in a violation of the applicable waste discharge requirements prescribed by the California Regional Water Quality Board, Central Valley Region, in that existing treatment plants have a design capacity adequate to service the proposed subdivision (Gov. code §66474.6);
4. The design of the proposed subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities (Gov. Code §66473.1);
5. The City Council has considered the effect of the approval of this Tentative Master Subdivision Map on the housing needs of the region and has balanced these needs against the public service needs of its residents and available fiscal and environmental resources (Gov. Code §66412.3).

A. The **Tentative Master Subdivision Map** to subdivide forty-three (43) parcels totaling 782[±] acres into sixty-four (64) master parcels **is approved** subject to the following Conditions of Approval:

NOTE: These conditions shall supersede any contradictory information shown on the Tentative Master Subdivision Map or any contradictory provisions in the PUD guidelines approved for this project (P06-197). The design of any improvement not covered by these conditions or the PUD Guidelines shall be to City standard.

The applicant shall satisfy each of the following conditions prior to filing the Final Map unless a different time for compliance is specifically stated in these conditions. Any condition requiring an improvement that has already been designed and secured under a City Approved improvement agreement may be considered satisfied at the discretion of the Department of Transportation.

The City strongly encourages the applicant to thoroughly discuss the conditions of approval for the project with their Engineer/Land Surveyor consultants prior to City Planning Commission approval. The improvements required of a Tentative Map can be costly and are completely dependent upon the condition of the existing improvements. Careful evaluation of the potential cost of the improvements required by the City will enable the applicant to ask questions of the City prior to project approval and will result in a smoother plan check process after project approval:

GENERAL: All Projects

C135. When submitting improvement plans, the applicant shall provide SRCSD with a signature/approval block on the cover sheet;

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Exhibit A: Delta Shores Tentative Master Subdivision Map

Exhibit B: Delta Shores East Tentative Map

Exhibit C: Delta Shores West Tentative Map

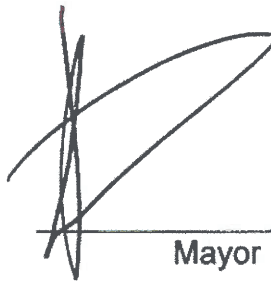
Adopted by the City of Sacramento City Council on January 13, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: Councilmember McCarty.

Abstain: None.

Absent: None.



Mayor Kevin Johnson

Attest:


Shirley Concolino, City Clerk

Exhibit B

2035 General Plan Compliance

As discussed in the Delta Shores' Mixed Income Housing Strategy, the Delta Shores project vested the General Plan that was in place when the project was approved in 2009. As provided for by City Council-approved Resolution No. 2009-034 and Resolution No. 2009-035, Delta Shores is consistent with the Housing Element of that General Plan. However, while not applicable to the Delta Shores project, the project is nonetheless compliant with the Housing Element goals and policies of the 2035 General Plan, as demonstrated below. While community balance remains a key component in meeting the General Plan goals and policies, moderate income workforce housing, product type and innovation are also critical components. Following is an outline of how each of these components of Delta Shores work toward meeting the Housing Element goals and policies of the 2035 General Plan.

1. Community Balance

As discussed in the Mixed Income Housing Strategy, Delta Shores incorporates community balance as one of its primary design themes. This is achieved through the integration of housing diversity, extensive open space, mixed-use components, and a well-planned pedestrian and transit circulation plan among other elements. Community balance is provided in support of several City of Sacramento Housing Element Goals and Policies:

- a. Goal H-1.2: Housing Diversity. Provide a variety of quality housing types to encourage neighborhood stability. This goal is specifically advanced via adherence to the following policies:
 - Policy H-1.2.1: Variety of Housing. The City shall encourage the development and revitalization of neighborhoods that include a variety of housing tenure, size and types, such as second units, carriage homes, lofts, live-work spaces, cottages, and manufactured / modular housing.
 - Policy H-1.2.2: Compatibility with Single Family Neighborhoods. The City shall encourage a variety of housing types and sizes to diversify, yet maintain compatibility with, single family neighborhoods.
 - Policy H-1.2.4: Mix of Uses. The City shall actively support and encourage mixed use retail, employment, and residential development around existing and future transit stations, centers and corridors.
- b. Goal H-1.3: Balanced Communities. Promote racial, economic, and demographic integration in new and existing neighborhoods. This goal is specifically advanced via adherence to the following policies:

- Policy H-1.3.1: Social Equity. The City shall encourage economic and racial integration, fair housing opportunity and the elimination of discrimination.
 - Policy H-1.3.2: Economic Integration. The City shall consider the economic integration of neighborhoods when financing new multifamily affordable housing projects.
 - Policy H-1.3.4: A Range of Housing Opportunities. The City shall encourage a range of housing opportunities for all segments of the community.
 - Policy H-1.3.5: Housing Type Distribution. The City shall promote an equitable distribution of housing types for all income groups throughout the city and promote mixed income neighborhoods rather than creating concentrations of below market rate housing in certain areas.
- c. Goal H-2.2: Development. Assist in creating housing to meet current and future needs. The project shall utilize financial tools made available by the city pursuant to the following policies:
- Policy H-2.2.3: Offsetting Development Costs for Affordable Housing. The city shall defer fees to Certificate of Occupancy to help offset development costs for affordable housing and will offer other financial incentives including, but not limited to, water development fee waivers and sewer credits.
 - Policy H-2.2.4: Funding for Affordable Housing. The City shall pursue and maximize the use of all appropriate state, federal, local and private funding for the development, preservation, and rehabilitation of housing affordable for extremely low, very low, low, and moderate income households, while maintaining economic competitiveness in the region.
 - Policy H-2.2.5: Review and Reduce Fees for Affordable Housing. The City shall work with affordable housing developers as well as other agencies and districts to review and reduce applicable processing and development impact fees for very low and low income housing units.

2. Moderate Income Workforce Housing

Moderate income housing is facilitated by Delta Shores' design elements including the wide variety of lot sizes and home product types, access to transit and a walkable environment. The development of moderate income housing is supportive of the following City of Sacramento Housing Element Goals and Policies:

- a. Goal H-1.2: Housing Diversity. Provide a variety of quality housing types to encourage neighborhood stability. This goal is specifically advanced via adherence to the following policies:

- Policy H-1.2.1: Variety of Housing. The City shall encourage the development and revitalization of neighborhoods that include a variety of housing tenure, size and types, such as second units, carriage homes, lofts, live-work spaces, cottages, and manufactured / modular housing.
 - Policy H-1.2.2: Compatibility with Single Family Neighborhoods. The City shall encourage a variety of housing types and sizes to diversity, yet maintain compatibility with, single family neighborhoods.
 - Policy H-1.2.4: Mix of Uses. The City shall actively support and encourage mixed use retail, employment, and residential development around existing and future transit stations, centers and corridors.
- b. Goal H-1.3: Balanced Communities. Promote racial, economic, and demographic integration in new and existing neighborhoods. This goal is specifically advanced via adherence to the following policies:
- Policy H-1.3.1: Social Equity. The City shall encourage economic and racial integration, fair housing opportunity, and the elimination of discrimination.
 - Policy H-1.3.2: Economic Integration. The City shall consider the economic integration of neighborhoods when financing new multifamily affordable housing projects.
 - Policy H-1.3.4: A Range of Housing Opportunities. The City shall encourage a range of housing opportunities for all segments of the community.
 - Policy H-1.3.5: Housing Type Distribution. The City shall promote an equitable distribution of housing types for all income groups throughout the city and promote mixed income neighborhoods rather than creating concentrations of low market rate housing in certain areas.

3. Product Variation

Product type variation by tenure (ownership as well as rental housing): This Strategy is supportive of the following City of Sacramento Housing Element Goals and Policies:

- a. Goal H-1.2: Housing Diversity. Provide a variety of quality housing types to encourage neighborhood stability. This goal is specifically advanced via adherence to the following policies:
- Policy H-1.2.1: Variety of Housing. The City shall encourage the development and revitalization of neighborhoods that include a variety of housing tenure, size and types, such as second units, carriage homes, lofts, live-work spaces, cottages, and manufactured / modular housing.

- Policy H-1.2.2: Compatibility with Single Family Neighborhoods. The City shall encourage a variety of housing types and sizes to diversity, yet maintain compatibility with, single family neighborhoods.
 - Policy H-1.2.4: Mix of Uses. The City shall actively support and encourage mixed use retail, employment, and residential development around existing and future transit stations, centers and corridors.
- b. Goal H-1.3: Balanced Communities. Promote racial, economic, and demographic integration in new and existing neighborhoods. This goal is specifically advanced via adherence to the following policies:
- Policy H-1.3.4: A Range of Housing Opportunities. The City shall encourage a range of housing opportunities for all segments of the community.
 - Policy H-1.3.5: Housing Type Distribution. The City shall promote an equitable distribution of housing types for all income groups throughout the city and promote mixed income neighborhoods rather than creating concentrations of below market rate housing in certain areas.
4. Product innovation

As demonstrated by the variety of lot sizes and unit configurations included in Delta Shores as well as the nature of this mixed-use, Delta Shores is a sustainable and cost efficient development by design. A discussion of creative methods to help achieve affordability are outlined in the Product Innovations Section below. Product innovation is supportive of the following City of Sacramento Housing Element Goals and Policies:

- a. Goal H-1.1: Sustainable Communities. Develop and rehabilitate housing and neighborhoods to be environmentally sustainable. This goal is advanced via adherence to the following policy:
- Policy H-1.1.1: Sustainable Housing Practices. The City shall promote sustainable housing practices that incorporate a “whole system” approach to siting, designing and constructing housing that is integrated into the building site, consume less energy, water and other resources, and are healthier, safer, more comfortable, and durable.

Exhibit C
Delta Shores
Dedicated Land for Affordable Units

