

OBJECTIVES

- **Entitlement facilitation is required.** Many project proponents are not the land owners and therefore require an entitlement facilitation process in the earliest of phases to ensure project feasibility **prior to** securing the land and financing needed to develop the proposed project. Additionally, entitlements can assist in the marketing of the site early in the development process providing more financial security for the development.
- **One size does not fit all.** Each project and site is unique, requiring flexibility in applying affordability levels, unit mix, project amenity criteria, and in offering effective incentives.
- **All County reviewing departments must "buy into" providing incentives.** Modifications or waiver of development regulations that would normally be recommended to be applied to a project, such as commitment to "fast tracking" and fee deferrals, reductions and/or waivers, must be agreed to in advance by the responsible department heads or these incentives can not be effectively recommended to decision makers. All final decisions regarding which incentive, waivers and concessions can only be determined by the decision makers. In addition, all responsible departments must assign experienced staff to the project to ensure that appropriate attention and flexibility is provided. Note: if the project includes an affordable housing component that meets criteria included in the State's Density Bonus Law or the County's local density bonus ordinance once adopted, then waivers can be considered by the decision makers as an incentive. Waivers of standards for employment generating projects under current ordinances can only occur through a discretionary review process such as a Planned Development or Variance.
- **Delegating the decision making level.** The authority to grant waivers may be delegated through modification of existing ordinance, shifting more projects for approval to the Zoning Administrator or Director levels. For example, at this time ministerial projects requesting waivers are required to go through a discretionary review such as a variance or Planned Development process. Modifications to existing policies and ordinances could allow for ministerial projects requesting waivers to be reviewed and approved by either the director or Zoning Administrator.
- **"Minor Exception".** At this time section 17.22.020 allows for the Planning Director to grant administrative relief or waiver from the standards set forth in the zoning ordinance of up to ten percent (10%) with a submittal of a site plan review application. With the update to the Zoning Ordinance, this process may be adjusted to allow for up to 20% providing more flexibility on standards within limits based on appropriate findings.
- **Provide early screening of potential environmental impacts and General Plan Policy inconsistencies.** Encourage the utilization of the staff level Pre-Application process and Planning Commission level "conceptual review" process when necessary to identify any potentially significant impacts or General Plan inconsistencies that may be problematic. This allows for a streamlining of the development review and CEQA process by providing early identification of environmental impacts and issues that could potentially slow down a project prior to submittal of a formal application, when it is easier and less costly to make modifications to a project. In coordinating with reviewing departments, identify specific analysis that will be required to determine impacts and mitigation. If possible, prepare technical analysis early in the project design phase so that mitigation can be incorporated into the project if possible.

- **Assume that the project will need to "evolve".** Recognize that affordable housing projects have very slim profit margins and that adjustments will probably need to be made to the design, unit mix, affordability levels, as technical analyses are completed and the project is reviewed in detail by County staff and outside agencies.
- **Be prepared to make compromises.** Successful affordable housing and employment-generating projects cannot be everything to everybody. In order to be financially feasible, the project must maximize the land area to provide enough units or square footage to provide a reasonable return on investment. Understanding this need, the Board of Supervisors approved on May 10, 2007 an increase to the Floor Area Ratio from the 2004 General Plan of .25 for Commercial, Industrial and Research and Development to a FAR of .85 for Commercial and Industrial and .50 for Research and Development to allow for an increase in allowable development square footage for each of these land use designations, Generally this will result in higher-density development. Site amenities and other development requirements must be carefully designed and considered to ensure that they meet County requirements without making the project infeasible.

COMPONENTS

Applicable Projects. The following types of projects will be eligible for fast-tracking of the application under these provisions:

- In order to be eligible for “Fast-Tracking” of an Affordable Housing project, a proposed residential development shall consist of Two (2) or more residential units, either for rent or for sale and meet the State Density Bonus Law (DBL) eligibility requirements, or the County’s Density Bonus Ordinance eligibility requirements once adopted. State DBL eligibility is as follows:
 - At least five (5) percent of the total number of proposed units for very low income households, as defined in California Health and Safety Code Section 50105;
 - At least ten (10) percent of the total number of proposed units for lower income households, as defined in California Health and Safety Code Section 50079.5;
 - A senior citizen housing development as defined in Sections 51.3 and 51.12 of the Civil Code; and/or
 - At least ten (10) percent of the total number of proposed units in a condominium project (as defined in subdivision [f] of Section 1351 of the Civil Code) or in a planned development (as defined in subdivision [k] of Section 1351 of the Civil Code) for persons and families of moderate income, as defined by California Health and Safety Code Section 50093.
- All affordable housing projects will be evaluated on affordability based on the Federal Housing and Urban Development Department’s (HUD) income criteria, site location, project characteristics, and project economics.
- As part of an affordable housing project final approval, the developer will be required to execute housing agreements that provide the details for implementation, including such provisions as setting sales and rental process, affordability levels, types and characteristics of the units, re-sale restrictions, selection of buyers and renters, sharing of equity, subsequent agreements that are required, and the monitoring of the units.

- Employment-generating projects are defined as businesses identified in the County's "Targeted Industry Sectors" with proposed construction of 5,000 square feet or more and a minimum of 3 employees.

Immediately Implementable Measures

- Some or all of the following procedures that can be implemented immediately to reduce the review and processing time for affordable housing and employment-generating projects;
 - Provide Pre-Application for free. Should a project proceed without an affordable housing or employment generating component as defined above, Pre-Application Fees would be recovered through the final application fee process.
 - Expedited timeframe for completion of the Conceptual Review/Pre-Application process.
 - CEQA streamlining options including:
 - Updating County CEQA guidelines/procedures; including combining initial studies with mitigated ND's where feasible to reduce both elapsed time and total permit review time,
 - Training of Staff on CEQA streamlining options (i.e. addendums, guidelines § 15162 findings, use of exemptions/exceptions, tiering from the General Plan EIR, etc.)
 - "on-call" contracts for rapid completion of environmental documents when needed
 - Modified Staff Report templates specific for affordable housing and employment-generating projects.
 - For commercial projects, allow preliminary development plan review by the Planning Commission to provide the owner/applicant with preliminary entitlements.
 - Dedication of an Affordable Housing and Employment Generating project Advocate (member of Staff) who can shepherd projects through the planning and multi-departmental input and decision-making process.

Conceptual Review

- For affordable/workforce housing projects and employment-generating projects, the Planning Commission, through the Conceptual Review process and upon request of the applicant, will make a preliminary determination regarding project compliance and will specify the incentives to be offered prior to the formal processing of the project. The qualifying evaluation and incentives will be finalized as part of the actual project approval. Affordable Housing projects requesting incentives under the State Density Bonus Law will be required to complete a conceptual review so that the Planning Commission can provide guidance to staff regarding which incentives should be granted for the project and to provide clarity for an applicant what incentives will be offered.

Incentives

- Incentives offered could include: fast-tracking the development review process, density bonuses, processing fee reductions, deferral and waivers, reduction in fees for structurally identical homes, expedite reimbursements of fronted money or credit against fees, and modification to development regulations including but not limited to modifying and/or reducing:
 - Parking requirements,
 - Height restrictions,
 - Agricultural and riparian setbacks,
 - Oak woodland mitigation requirements,
 - 30 percent open space requirements,
 - 30 percent slope requirements,
 - Road and Roadway with requirements.

Planning Services currently has a policy in relation to density and Affordable Housing projects (see attached) that allows for modifications to General Plan requirements such as oaks, riparian setbacks, slopes, and other constraints if the project cannot meet at least the minimum density called for by the land use designation.

Process Improvement Team

- Establish an ongoing Process Improvement Team that includes qualified representatives from the Planning Commission, Building Industry Advisory Committee, the Economic Development Advisory Commission, the Housing Taskforce and customer representatives (including ministerial and discretionary). This joint team would be responsible for providing a more comprehensive review of County's policies and procedures identified as barriers to the development of affordable housing and employment-generating projects that can be modified to further streamline the process.

PROCEDURES

For all projects requiring a General Plan Amendment, a pre-application with a possible conceptual review will be encouraged by staff to receive guidance by the Planning Commission. For projects not requiring a General Plan Amendment or that do not raise significant policy questions or concerns, this process is voluntary. For affordable housing projects requesting incentives a pre-application with a conceptual review is required so that it can be determined as early as possible what type of incentives will be offered. For each project under review, a team of dedicated staff, experienced in affordable housing and/or employment-generating projects, will address three important issues at the initial review meeting which is to be held within 3 weeks of receipt of the pre-application packet.

Application incompleteness items: The applicant will be informed of informational materials that are required for the County to complete processing of the final development application. These materials could include revised site plans, topographic maps, parcel validity information, grading plans, water and sewage disposal system design and engineering information, traffic studies, wetland delineation reports and other technical studies. Every effort will be made to identify submittal items that can possibly be deferred until environmental review or that may be addressed in post approval conditions.

Potential inconsistencies with General Plan Policy or Zoning Ordinance: The applicant will be provided with preliminary direction of any potential inconsistencies of the project with General Plan Policies, the Zoning Ordinance, or a State law. The applicant will receive preliminary direction of any design changes or project alternatives that may allow a finding of consistency with all applicable requirements. For affordable housing projects seeking incentives per state law or county ordinance, these recommended changes or alternatives may be considered as waivers or concessions as part of the conceptual review by the Planning Commission.

Preliminary conditions of approval: The TAC Team members, as part of the pre-application process, will provide preliminary recommended conditions of approval to the extent that issues can be identified at that time. [Note: this currently depends on the cooperation of other department representatives and will be a goal as we advance further with reorganization. Standard conditions can be provided, however additional conditions may be required upon completion of the environmental review and project analysis.] This information will allow an applicant sufficient lead time to incorporate some of the requirements into the project description (and CEQA document) during permit processing. Prior to the decision-maker hearing, each team member will refine and finalize the recommended conditions of approval. The final conditions will reflect information provided in subsequent submittals required to complete the application (such as technical studies) and analysis included in the CEQA document. In any case, the applicant will be informed at an early point in the process of the requirements necessary to proceed with the project.

Fee Estimate: As early in process as possible, staff will provide County fee cost estimates with the applicant so they can evaluate the financial viability of the project. In addition, staff will encourage the applicant to obtain outside agency costs that cannot be provided by County staff.

The applicant will receive a letter from Planning Services outlining findings from the Pre-Application Review meeting. All Conceptual Reviews will be scheduled for the next available Planning Commission meeting so that direction can be given at the earliest possible point in the project review process. This timing is subject to any public noticing requirements and time for staff and all related departments to prepare a brief report. A minimum of 30 to 45 days from submittal is anticipated. Staff will modify existing Staff Report templates, thereby streamlining report requirements.

Preliminary Planned Development for Affordable Housing and Employment Generating Projects

Upon completion of an initial review through the Conceptual Review/Pre-Application process, the applicant may request consideration of a Preliminary Planned Development by the Planning Commission. This would allow the applicant to begin developing final plans and seek financing to complete the project. In many instances the financing of a project cannot occur until a site has appropriate zoning and a certain level of surety that the project is feasible and has some type of entitlement. The present planned development process requires most of the site planning detail to be provided up front, increasing initial costs of a project. When an affordable housing project or employment generating project includes a zone change, applicants are often reluctant to

expend the money necessary for final design of landscaping, parking, etc., not knowing the outcome of the zone change request. By amending the Planned Development chapter of the zoning code to provide for preliminary review and approval, the public and decision makers can have some level of certainty regarding the type and scale of development proposed, but limits the level of detail required with the initial submittal. The final development plan, if consistent with the preliminary plan could be delegated to staff or the Zoning Administrator.

Continual Process Improvement of Discretionary Review Procedures

It is understood that an extensive process improvement program that continually reviews County policies and procedures will result in a streamlined permit process that reduces or eliminates barriers to development of affordable housing and employment-generating projects. The Housing Element and Economic Development Element of the General Plan include actions to reduce or eliminate constraints and permit requirements for affordable housing and employment-generating projects. They further include actions to consider revisions to current county policies and procedures that will improve process efficiency, remove redundancy, or otherwise reduce permit processing time and cost or eliminate unnecessary constraints to the development of affordable housing and employment-generating projects. The implementation of a dedicated Process Improvement Team would provide a venue for this review.

ATTACHMENT

Fast-Track Process Improvement Flow Chart