Item No. 7

Supplemental Material

For

City of Sacramento
Planning and Design Commission
Agenda Packet

For the Meeting of: April 23, 2020

Additional Material
Revised Material

Contact Information: Danny Abbes, Associate Planner, 808-5873

Project Name: Delta Shores Mixed Income Housing Strategy (P20-003)

Subject:

1) REVISED: References to “2030 General Plan” within Attachment 4: Draft Mixed Income Housing Strategy shall instead reference “2035 General Plan”

2) REVISED: The first page of Attachment 3, Page 8 in the overall report, updated to reflect revised hearing dates. (attached)

3) REVISED: Applicant signature blocks updated and signatures added to Attachment 4: Draft Delta Shores MIHS. (attached)

4) ADDITIONAL: Exhibits A & B added to the end of Attachment 4: Draft Delta Shores MIHS. This includes two prior Delta Shores resolutions for reference (A), and the applicant’s assessment of General Plan compliance. (B) (attached)
RESOLUTION NO. 2020 -
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.
City of Sacramento

By: ________________________________
   Darrell Steinberg
   Mayor
   Date: ________________, 2020
   Approved as to Form
   Sacramento City Attorney

Attest
Sacramento City Clerk

By: ________________________________
   Signature

M & H Realty Partners VI L.P.,
a California limited partnership

By: MHRP VI L.P., a California limited partnership, its General Partner
   By: Merlone/Hagenbuch VI Inc., a California corporation, its General Partner

By: ________________________________
   Signature
   Print Name
   Print Title
   Date: ________________, 2020

M&H VI Projects, LLC,
a Delaware limited liability company

By: M&H VI Investments, LLC, a Delaware limited-liability company, its sole member
   By: M & H Realty Partners VI L.P., a California limited partnership, its sole member
   By: MHRP VI L.P., a California limited partnership, its general partner

By: ________________________________
   Signature
   Print Name
   Print Title
   Date: ________________, 2020
By: Merlone/Hagenbuch VI Inc., a California corporation, its general partner

By: _________________________________
Signature
_________________________________
Print Name
_________________________________
Print Title
Date: ______________, 2020

By: _________________________________
Signature
_________________________________
Print Name
_________________________________
Print Title
Date: ______________, 2020

Delta Shores Wetlands, LLC,
a Delaware limited liability company

By: M & H Realty Partners VI L.P., a California limited partnership, its sole member

By: MHRP VI L.P., a California limited partnership, its general partner

By: Merlone/Hagenbuch VI Inc., a California corporation, its general partner

By: _________________________________
Signature
_________________________________
Print Name
_________________________________
Print Title
Date: ______________, 2020

By: _________________________________
Signature
_________________________________
Print Name
_________________________________
Print Title
Date: ______________, 2020
Delta Shores Detention Ponds, LLC,
a Delaware limited liability company

By: M & H Realty Partners VI L.P., a California limited partnership, its sole member

By: MHRP VI L.P., a California limited partnership, its general partner

By: Merlone/Hagenbuch VI Inc., a California corporation, its general partner

By: __________________________________ Signature
    _________________________________

Print Name
    _________________________________

Print Title
    _________________________________

Date: _________________, 2020

By: __________________________________ Signature
    _________________________________

Print Name
    _________________________________

Print Title
    _________________________________

Date: _________________, 2020

[Attach Certificates of Acknowledgment – Civil Code § 1189]
Third Amendment to Development Agreement for Delta Shores Project # P06-197

This Third Amendment to Development Agreement for Delta Shores Project # P-06-197, dated April 21, 2020, for reference, is between the CITY OF SACRAMENTO, a California municipal corporation and charter city (the “City”); and M & H REALTY PARTNERS VI L.P., a California limited partnership; the original Landowner; M&H VI PROJECTS, LLC, a Delaware limited-liability company; DELTA SHORES WETLANDS, LLC, a Delaware limited-liability company; and DELTA SHORES DETENTION PONDS, LLC, a Delaware limited-liability company—each an assignee of the original Landowner under separate assignment-and-assumption agreements (collectively, the “Landowners”). The Landowners own the parcels described in Exhibit A to this third amendment, which pertains only to those parcels.

Background

The City and the Landowners are parties to the following agreements (collectively, the “Development Agreement”):

- The Development Agreement for Delta Shores Project # P-06-197, which is designated as City Agreement No. 2009-0060 and was recorded with the Sacramento County Clerk/Recorder on February 27, 2009, in Book 20090227 at Page 0082.

- The First Amendment to Development Agreement for Delta Shores Project, which is dated October 6, 2010; is designated as City Agreement No. 2009-0060-1; and was recorded with the Sacramento County Clerk/Recorder on October 18, 2010, in Book 20101018 at Page 1169.

- The Second Amendment to Development Agreement for Delta Shores Project # P-06-197, which is dated November 21, 2019; is designated as City Agreement No. 2019-1714; and was recorded with the Sacramento County Clerk/Recorder on November 26, 2019, as Document No. 201911260667.

Section 5.D of the Development Agreement specifies that development of the property by the Landowners is subject to the Special Conditions specified in Exhibit C. Section II.B of Exhibit C requires that the landowners implement an Inclusionary Housing Plan and execute an Inclusionary Housing Agreement in compliance with the City’s Mixed Income Housing Policy. The Inclusionary Housing Plan is referenced in Exhibit C-1 to the Development Agreement. As used in this paragraph, the terms “Inclusionary Housing Plan,” “Mixed Income Housing Plan,” and “Inclusionary Housing Development” are defined in Exhibit C-1.
Ordinance,” and “Inclusionary Housing Agreement” have the meanings given them in Section I of the Development Agreement.

After execution of the Development Agreement, the Sacramento City Council enacted Ordinance No. 2015-0029 (the “Mixed Income Housing Ordinance”), which replaced the requirement in Sacramento City Code chapter 17.712 that owners of certain residential developments prepare an “inclusionary housing plan” and execute an “inclusionary housing agreement” with a requirement that owners of residential developments either pay a “housing impact fee” or prepare a “mixed income housing strategy.”

Under the Mixed Income Housing Ordinance, owners of residential projects that are already subject to an inclusionary housing plan have the option to comply with an approved inclusionary housing plan or to comply with the Mixed Income Housing Ordinance. The Landowners have elected to comply with the Mixed Income Housing Ordinance by preparing a mixed income housing strategy. This third amendment replaces references in the Development Agreement to the “Inclusionary Housing Plan,” “Inclusionary Housing Ordinance,” and “Inclusionary Housing Agreement” with references to the Mixed Income Housing Ordinance.

With these background facts in mind, the City and the Landowners agree as follows:

1. Amendments to Section I. Section I (Definitions) of the Development Agreement is hereby amended as follows:

   (a) By deleting the definitions of “Inclusionary Housing Plan,” “Inclusionary Housing Ordinance,” and “Inclusionary Housing Agreement.”

   (b) By adding the following definitions:

   - **Mixed Income Housing Ordinance**: Title 17, Chapter 17.712 of the City Code, entitled “Mixed Income Housing,” and as said ordinance may be amended from time to time.

   - **Mixed Income Housing Strategy**: the plan prepared by LANDOWNER and approved by the City Council by its resolution as part of the Land Use Entitlements, that specifies the percentage, number, type, location and phasing of development of housing affordable to very low and low income households for compliance with the Inclusionary Housing Ordinance, as more particularly described in Exhibit C and Exhibit C-1.

   (c) By revising the definition of “Land Use Entitlement” to read as follows:

   - **Land Use Entitlement**: the plans, ordinances, resolutions, maps, plan review, design review, preservation review, and permits and approvals that have been approved by CITY for the Project based on the Development Plan as of the Effective Date, which is set out in Exhibit B. The Land Use Entitlements include the Plans, this Agreement, the Tentative Maps and their conditions of approval, Zoning Map, the mixed income housing strategy, the Mitigation Measures, Design
Guidelines, and all other official actions in furtherance of Project approval, including modifications to the City Code as set out in this Agreement, as well as modifications and amendments to the Plans and Land Use Entitlements subsequent to the Effective Date as set out in any Subsequent Approval.

2. Amendment to Exhibit C, Section II.C. Section II.C (Inclusionary Housing Requirements) of Exhibit C to the Development Agreement is hereby amended to read as follows:

   Mixed Income Housing Ordinance Requirements. CITY has enacted a mixed income housing ordinance, as set forth in Chapter 17.712 of the Sacramento City Code (enacted by Ordinance No. 2015-0029). To the extent that the Property is subject to the Policy, certain Land Use Entitlements for the Property will contain conditions which implement the mixed-income housing ordinance, including but not limited to conditions requiring a mixed income housing strategy. The mixed income housing strategy, where applicable, is attached to this Exhibit C as Exhibit C-1, and incorporated herein by this reference. The requirements specified in the mixed income housing strategy shall be implemented by LANDOWNER.

3. New Exhibit C-1. Exhibit C-1 of the Development Agreement is hereby replaced with the new Exhibit C-1 attached to this third amendment.

4. All Other Terms Remain in Force. Except as amended by sections 1, 2, and 3 above, all terms of the Development Agreement remain in full force.

5. Effective Date. This third amendment takes effect on the effective date of the ordinance that approves it (Gov. Code, § 65868; Sacramento City Code, §§ 18.16.120 & 18.16.130).

6. Recording. Either party may record this third amendment with the Sacramento County Clerk/Recorder.

7. Counterparts. The parties may execute this third amendment in counterparts, each of which will be considered an original, but all of which will constitute the same agreement.

8. Entire Agreement. This third amendment sets forth the parties’ entire understanding regarding the matters set forth above. It supersedes all prior or contemporaneous agreements, representations, and negotiations regarding those matters (whether written, oral, express, or implied) and may be modified only by another written agreement signed by all parties. This third amendment will control if any conflict arises between it and the Development Agreement.

   (Signature Pages Follow)
City of Sacramento

By: __________________________
   Darrell Steinberg
   Mayor
   Date: ________________, 2020

Approved as to Form
Sacramento City Attorney

By: __________________________
   Joseph Cerullo
   Senior Deputy City Attorney

Attest
Sacramento City Clerk

By: __________________________
   Signature

M & H Realty Partners VI L.P.,
A California limited partnership

By: MHRP VI L.P., a California limited
   partnership, its General Partner
   By: Merlone/Hagenbuch VI Inc., a California
       corporation, its General Partner

By: __________________________
   Signature
   Scott A. McPherson
   Executive Managing Director
   Print Name
   Print Title
   Date: April 8, 2020

By: __________________________
   Signature
   __________________________
   Print Name
   Print Title
   Date: ________________, 2020
M&H VI Projects, LLC,
a Delaware limited-liability company

By: M&H VI Investments, LLC, a Delaware limited-liability company, its sole member

By: M & H Realty Partners VI L.P., a California limited partnership, its sole member

By: MHRP VI L.P., a California limited partnership, its general partner

By: Merlone/Hagenbuch VI Inc., a California corporation, its general partner

By: ____________________________ By: ____________________________
Signature

Scott A. McPherson ______________________
Print Name
Executive Managing Director
Print Title

Date: April 8, 2020

Delta Shores Wetlands, LLC,
a Delaware limited-liability company

By: M & H Realty Partners VI L.P., a California limited partnership, its sole member

By: MHRP VI L.P., a California limited partnership, its general partner

By: Merlone/Hagenbuch VI Inc., a California corporation, its general partner

By: ____________________________ By: ____________________________
Signature

Scott A. McPherson ______________________
Print Name
Executive Managing Director
Print Title

Date: April 8, 2020

Date: ________________, 2020
Delta Shores Detention Ponds, LLC,
a Delaware limited-liability company

By: M & H Realty Partners VI L.P., a California
limited partnership, its sole member

By: MHRP VI L.P., a California limited
partnership, its general partner

By: Merlone/Hagenbuch VI Inc., a
California corporation, its general
partner

By: [Signature]

Print Name: Scott A. McPherson
Print Title: Executive Managing Director
Date: April 8, 2020

By: [Signature]

Print Name:
Print Title:
Date: ______________, 2020

[Attach Certificates of Acknowledgment – Civil Code § 1189]
PARCEL 1 AS SHOWN ON THAT CERTIFICATE FOR LOT LINE ADJUSTMENT RECORDED IN BOOK 20121121, PAGE 1708, SITUATE IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

TOGETHER WITH

PARCEL 2 AS SHOWN ON THAT CERTIFICATE FOR LOT LINE ADJUSTMENT RECORDED IN BOOK 20121121, PAGE 1708, SITUATE IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.


TOGETHER WITH

PARCEL 1 AS SHOWN ON THAT CERTIFICATE FOR LOT LINE ADJUSTMENT RECORDED IN BOOK 20130725, PAGE 1062, SITUATE IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

TOGETHER WITH

PARCEL 2 AS SHOWN ON THAT CERTIFICATE FOR LOT LINE ADJUSTMENT RECORDED IN BOOK 20130725, PAGE 1062, SITUATE IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.
EXCEPTING THEREFROM ALL LEGAL GAS RIGHTS OF WAY 500 FEET BENEATH THE SURFACE OF SAID LAND SUBJECT TO THE CONDITION THAT GRANTOR CANNOT ENTER UPON SUBJECT PROPERTY FOR DRILLING PURPOSES OR FOR ANY PURPOSES CONNECTED WITH EXPLORING OR DEVELOPINGS SAID MINERALS RIGHTS, AS RESERVED IN THE DEED EXECUTED BY HARRY M. TONKIN AND DALTON G. FELDSTEIN, AS TRUSTEES OF THE FREEPORT LIQUIDATING TRUST, RECORDED JUNE 29, 1984, IN BOOK 84 06 29, PAGE 1677, OFFICIAL RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS AND MINERALS, BELOW A DEPTH OF 100 FEET BELOW THE SURFACE OF THE ABOVE DESCRIBED PROPERTY EXCEPTED IN QUITCLAIM DEED DATED JANUARY 19, 1960, RECORDED JANUARY 20, 1960, IN BOOK 3980 OF OFFICIAL RECORDS, PAGE 661, EXECUTED BY LESTER C. HUNT AND MARTHA HUNT, HIS WIFE, TO CALIFORNIA PACIFIC TITLE COMPANY, SACRAMENTO DIVISION, A CORPORATION, AND MODIFIED BY DEED DATED FEBRUARY 15, 1960, RECORDED MARCH 25, 1960, IN BOOK 4024 OF OFFICIAL RECORDS, PAGE 939, RECORDED MARCH 25, 1960, IN BOOK 4024 OF OFFICIAL RECORDS, PAGE 940, EXECUTED BY CALIFORNIA PACIFIC TITLE COMPANY, SACRAMENTO DIVISION, A CORPORATION TO LESTER C. HUNT AND MARTHA E. HUNT, HIS WIFE, AS JOINT TENANTS.

TOGETHER WITH

LOTS 1 THROUGH 20, LOTS 22 THROUGH 25, LOT A AND LOT B INCLUSIVE, OF "FINAL MAP OF DELTA SHORES PHASE 1 SUBDIVISION NO. P06-197", IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 392, PAGE 0001 OF TRACT MAPS, IN THE OFFICE OF THE COUNTY OF RECORDER OF SAID COUNTY.

TOGETHER WITH

PARCEL A, PARCEL B, PARCEL C AND PARCEL D AS DESCRIBED IN THAT GRANT DEED TO M & H REALTY PARTNERS VI L.P., A CALIFORNIA LIMITED PARTNERSHIP DATED MAY 5, 2019 RECORDED IN DOCUMENT NO. 201905141227 OF OFFICIAL RECORDS OF SACRAMENTO COUNTY, IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.
TOGETHER WITH,

PARCEL 1 AS DESCRIBED IN THAT GRANT DEED TO M & H REALTY PARTNERS VI L.P., A CALIFORNIA LIMITED PARTNERSHIP DATED NOVEMBER 2, 2018 RECORDED IN DOCUMENT NO. 201811020929 OF OFFICIAL RECORDS OF SACRAMENTO COUNTY, IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

TOGETHER WITH

PARCEL ONE AND PARCEL FIVE AS DESCRIBED IN THAT GRANT DEED TO M & H REALTY PARTNERS VI L.P., A CALIFORNIA LIMITED PARTNERSHIP DATED JUNE 30, 2016 RECORDED IN BOOK 20160630, PAGE 1120 OF OFFICIAL RECORDS OF SACRAMENTO COUNTY, SITUATE IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

TOGETHER WITH

PARCEL 3 AS SHOWN ON THAT CERTIFICATE FOR LOT LINE ADJUSTMENT RECORDED IN BOOK 20130725, PAGE 1062, SITUATE IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

EXCEPTING THEREFROM ALL LEGAL GAS RIGHTS OF WAY 500 FEET BENEATH THE SURFACE OF SAID LAND SUBJECT TO THE CONDITION THAT GRANTOR CANNOT ENTER UPON SUBJECT PROPERTY FOR DRILLING PURPOSES OR FOR ANY PURPOSES CONNECTED WITH EXPLORING OR DEVELOPINGS SAID MINERALS RIGHTS, AS RESERVED IN THE DEED EXECUTED BY HARRY M. TONKIN AND DALTON G. FELDSTEIN, AS TRUSTEES OF THE FREEPORT LIQUIDATING TRUST, RECORDED JUNE 29, 1984, IN BOOK 84 06 29, PAGE 1677, OFFICIAL RECORDS.
EXHIBIT C-1

MIXED INCOME HOUSING STRATEGY

THE MIXED INCOME HOUSING STRATEGY FOR THE PROJECT DATED AS OF ____________, 2020, AND APPROVED BY THE CITY COUNCIL ON ____________, 2020, BY RESOLUTION NO. 2020-____ IS ATTACHED AS EXHIBIT C-1 AND INCORPORATED IN THIS THIRD AMENDMENT BY THIS REFERENCE.
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

On April 8, 2020 before me, Barbara A. Davies, Notary Public, personally appeared Scott A. McPherson, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Barbara A. Davies (Seal)
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:

Resolution 2009-034 January 13, 2009
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.

Table of Contents
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.

Attest:

[Signature]
Shirley Concino, City Clerk

Mayor Kevin Johnson

Resolution 2009-034

January 13, 2009
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

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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.

Attest:

Mayor Kevin Johnson

Shirley Condolino, City Clerk
Exhibit B

2030 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 2030 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 2030 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.