

TO: JAMES L. APP, CITY MANAGER
FROM: BOB LATA, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: CODE AMENDMENT 02-011 - EMPLOYEE HOUSING
DATE: MARCH 18, 2003

Needs: To consider a City-initiated amendment to the Zoning Code to establish employee housing as a conditionally-permitted use in residential, commercial, industrial, agricultural, and the Parks and Open Space zoning districts.

Facts:

1. At its meeting of February 18, 2003, the City Council directed that the employee housing ordinance be returned to the Planning Commission for refinements.
2. The original ordinance, which had not been adopted, contained inconsistencies with the recently-approved General Plan Resort/Lodging Overlay Land Use Category.
3. Since the Resort/Lodging Overlay Land Use Category can be applied over any zoning district, the employee housing ordinance has been revised to designate employee housing as a conditional use (subject to approval of a conditional use permit) in all zoning districts.
4. Two options for the revised ordinance have been prepared for the City Council's consideration:
 - a. Option A: Employee housing would be allowable for all types of approved businesses.
 - b. Option B: Employee housing would be limited to being combined with approved resorts/lodging, and would not be allowable for other businesses.
5. At its meeting of March 11, 2003, the Planning Commission reviewed a refined employee housing ordinance and unanimously recommended adoption of option A, but recommended adding a provision that the ordinance sunset (expire) in 5 years unless further extended by a subsequent code amendment.
6. Employee housing would be defined as more than one rental housing unit per lot or parcel in which occupancy will be reserved for employees of a particular business.
7. As will be discussed in the Analysis below, the General Plan allows for limited amounts of residential in commercial and industrial land use categories. Visitor-serving commercial uses, which include hotels, are allowed in Agricultural and Parks and Open Space zoning districts
8. The proposed revised ordinance is subject to the California Environmental Quality Act (CEQA). An Initial Study has been conducted (copy on file in the Community Development Department), which concludes that the proposed code amendment will not have any significant effect on the environment and that no mitigation measures are

necessary. It is proposed, therefore, that the City Council adopt a Negative Declaration for this code amendment.

Analysis and
Conclusion:

As provided for in the 1991 Land Use Element of the General Plan, the City has pursued, embraced, and experienced considerable growth in retail commercial, tourist-serving/recreational commercial, and industrial development.

Since 1991, housing prices have continued to rise and many employees of the new commercial and industrial development find it increasingly difficult to find affordable housing, a situation that could hamper further commercial and industrial development.

Policy COM-12 of the 1991 Land Use Element calls for the city to facilitate the establishment of limited amounts of residential use in any of the commercial land use categories in order to achieve several purposes, including provision of affordable housing to employees and their families.

Policies 1.1 and 1.7 of the 1994 Housing Element of the General Plan call for maintaining a variety of types of housing and for encouraging development of limited amounts of residential use on commercial and industrial properties.

With the adoption of the Resort/Lodging Overlay General Plan Land Use Category in December 2002, it is possible that there could be resorts with employee housing in the all zones. Further, since employee housing would restrict occupancy to employees of a particular business, there may likely be valid reasons to require a conditional use permit, even in multi-family residential zones, to enable the City to exercise additional discretion in design and operating conditions.

Therefore the revised ordinance proposes that that employee housing be conditional in all zones except the AP Zone, where it would not be permitted because of airport noise conflicts.

Option A would allow employee housing for any approved commercial or industrial development.

Option B would limit employee housing to being combined with approved resorts, and would not be allowable for other businesses. This option would address the requests received from owners and developers of resorts.

The 5 year sunset provision recommended by the Planning Commission would also allow the City to see how well the ordinance works, including whether it needs any amendments, before considering an extension.

Policy
Reference:

General Plan: Land Use and Housing Elements; California Employee Housing Act (Health and Safety Code Sections 17000 et seq.)

Fiscal
Impact:

It is not anticipated that the proposed ordinance will have any measurable effect on the General Fund.

Options: After consideration of all public testimony, that the City Council consider the following options:

- a. (1) Adopt Resolution No. 03-xx Approving a Negative Declaration for Code Amendment 02-011; and

(2) Introduce for first reading Ordinance No. XXX N.S. amending the zoning code to permit employee housing as a conditional use in residential, commercial, industrial, agricultural, and the Parks and Open Space zoning districts provided that employee housing shall be appurtenant to an approved commercial or industrial development, and subject to a provision that the ordinance shall sunset (expire) in 5 years; and set April 1, 2003 as the date for adoption of said Ordinance.
- b. (1) Adopt Resolution No. 03-xx approving a Negative Declaration for Code Amendment 02-011; and

(2) Introduce for first reading Ordinance No. XXX N.S. amending the zoning code to permit employee housing as a conditional use in residential, commercial, industrial, agricultural, and the Parks and Open Space zoning districts provided that employee housing shall be appurtenant to an approved resort/lodging development, and subject to a provision that the ordinance shall sunset (expire) in 5 years; and set April 1, 2003 as the date for adoption of said Ordinance.
- c. Amend, modify or reject the foregoing options.

Prepared by:

Ed Gallagher
Housing Programs Manager

Attachments:

1. Resolution Adopting a Negative Declaration
2. Employee Housing Ordinance
3. Newspaper Notice

RESOLUTION NO. 03-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROVING A NEGATIVE DECLARATION FOR CODE
AMENDMENT 02-011 (EMPLOYEE HOUSING)

WHEREAS, the City has initiated Code Amendment 02-011 to amend the City's Zoning Code to permit employee housing in residential, commercial, industrial, agricultural, and the Parks and Open Space zoning districts as conditional uses; and

WHEREAS, an Initial Study was prepared for this project (on file in the Community Development Department), which proposed that a Negative Declaration be approved; and

WHEREAS, Public Notice of the proposed Negative Declaration was given as required by Section 21092 of the Public Resources Code; and

WHEREAS, public hearings were conducted by the Planning Commission on March 11, 2003 and by the City Council on March 18, 2003 to consider the Initial Study prepared for this application, and to accept public testimony regarding this proposed environmental determination for the proposed code amendment; and

WHEREAS, based on the information contained in the Initial Study prepared for this code amendment and testimony received as a result of the public notice, the City Council finds no substantial evidence that there would be a significant impact on the environment if the code amendment was approved.

NOW, THEREFORE, BE IT RESOLVED, that based on the City's independent judgment, the City Council of the City of El Paso de Robles does hereby approve a Negative Declaration for Code Amendment 02-011 in accordance with the California Environmental Quality Act.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 18th day of March 2003 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk

LAND USE	ZONING DISTRICT																		
	AG	RA	R1	R2	R3	R30	R4	OP	CP	C1	C2	C3	RC	M	PM	AP	POS		
a. Second units for related senior citizens per Chapter 21.16D (accessory to single family only)	P	P	P	P	P	P	P	P	N	N	N	N	N	N	N	N	P		
b. Guest house without kitchen facilities (accessory to single family only)	P	P	P	P	P	P	P	P	N	N	N	N	N	N	N	N	P		
c. Non-dwelling accessory buildings (garages, storage sheds, etc.) as primary uses on a lot. Exception: a common lot with accessory structures may be created for condominium development	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N		
d. Recreational Vehicle Shelters within interior side yard or rear yard setback and/or within building separation per Section 21.20.240	N	N	C	C	C	C	C	N	N	N	N	N	N	N	N	N	N		
OPTION A 5. Employee housing appurtenant to an approved commercial or industrial development (more than one rental housing unit per lot or parcel in which occupancy will be limited to employees of a particular resort during the period of employment) This provision shall expire on May 1, 2008.	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	N	C		
OPTION B	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	N	C		

ORDINANCE NO. XXX N.S.

AN ORDINANCE OF THE CITY OF EL PASO DE ROBLES
AMENDING TITLE 21 (ZONING) OF THE MUNICIPAL CODE
TO AMEND TABLE 21.16.200 TO PERMIT EMPLOYEE HOUSING AS A CONDITIONAL
USE IN RESIDENTIAL, COMMERCIAL, INDUSTRIAL, AGRICULTURAL, AND PARKS
AND OPEN SPACE DISTRICTS (CODE AMENDMENT 02-011)

WHEREAS, as provided for in the 1991 Land Use Element of the General Plan, the City has pursued, embraced, and experienced considerable growth in retail commercial, tourist-serving/recreational commercial, and industrial development; and

WHEREAS, since 1991, housing prices have continued to rise and many employees of the new commercial and industrial development find it increasingly difficult to find affordable housing, a situation that could hamper further commercial and industrial development; and

WHEREAS, Policy COM-12 of the 1991 Land Use Element calls for the city to facilitate the establishment of limited amounts of residential use in any of the commercial land use categories in order to achieve several purposes, including provision of affordable housing to employees and their families; and

WHEREAS, Policies 1.1 and 1.7 of the 1994 Housing Element of the General Plan call for maintaining a variety of types of housing and for encouraging development of limited amounts of residential use on commercial and industrial properties; and

WHEREAS, visitor-serving commercial uses are allowed in all zoning districts where the Resort/Lodging Overlay Land Use Category has been applied; and

WHEREAS, the city has initiated an ordinance to allow for the provision of "employee housing" on the same site as commercial and industrial uses in residential, commercial, industrial, agricultural, and parks and open space zoning districts; and

WHEREAS, at its meeting of March 11, 2003, the Planning Commission took the following actions regarding this ordinance:

- a. Considered the facts and analysis, as presented in the staff report prepared for this project;
- b. Conducted a public hearing to obtain public testimony on the proposed ordinance;
- c. Recommended that the City Council adopt the proposed ordinance; and

WHEREAS, at its meeting of March 18, 2003, the City Council took the following actions regarding this ordinance:

- a. Considered the facts and analysis, as presented in the staff report prepared for this project;
- b. Considered the recommendation of the Planning Commission regarding this code amendment;
- c. Conducted a public hearing to obtain public testimony on the proposed ordinance;
- d. Based on the information contained in the Initial Study, the City Council found that there would not be a significant impact on the environment as a result of the code amendment and adopted a Negative Declaration in accordance with the California Environmental Quality Act;

NOW, THEREFORE, BE IT KNOWN that the Paso Robles City Council, based upon the substantial evidence presented at the above referenced public hearing, including oral and written staff reports, finds as follows:

1. The above stated facts of this ordinance are true and correct.

2. This code amendment is consistent with the City's General Plan.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section B. Residential of Table 21.16.200 is hereby amended to read as shown on the attached Exhibit A of this ordinance.

SECTION 2. Publication. The City Clerk shall cause this ordinance to be published once within fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Section 36933 of the Government Code.

SECTION 3. Severability. If any section, subsection, sentence, clause, or phrase of the Ordinance is, for any reason, found to be invalid or unconstitutional, such finding shall not affect the remaining portions of this Ordinance.

The City Council hereby declares that it would have passed this ordinance by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared unconstitutional.

SECTION 4. Inconsistency. To the extent that the terms of provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinance(s), motion, resolution, rule, or regulation governing the same subject matter thereof and such inconsistent and conflicting provisions of prior ordinances, motions, resolutions, rules, and regulations are hereby repealed.

SECTION 5. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the 31st day after its passage.

SECTION 6 Expiration Date This Ordinance shall expire on the fifth anniversary of the date of its effectiveness.

Introduced at a regular meeting of the City Council held on March 18, 2003, and passed and adopted by the City Council of the City of El Paso de Robles on the 1st day of April 2003 by the following roll call vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Mayor Frank R. Mecham

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk