COUNTY OF SACRAMENTO CALIFORNIA

PLANNING COMMISSION REPORT

For the Agenda of: June 24, 2024

To: Planning Commission

From: Planning and Environmental Review

Subject: PLNP2021-00127. Infill Program Update. A Resolution Of The

Board of Supervisors To Adopt The Sacramento County Infill Program Update And Initiate Identified Implementation Actions. Applicant: County of Sacramento. APN: Not Applicable. Environmental Document: Notice of Exemption.

Supervisorial District(s): All

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Overview:

In July 2021, Sacramento County (County) received grant funding for an update to the 2008 Infill Program for the purposes of identifying current barriers to infill development and developing a strategy to address said barriers. Informed by the prior effort, stakeholder engagement, and Board of Supervisors (Board) direction, the Infill Program Update is a roadmap to facilitate policy and procedural changes, as well as development review process improvements, to encourage infill development and to increase and accelerate housing production in the County.

Applicant:

County of Sacramento Department of Community Development Planning and Environmental Review Division 827 7th Street Sacramento, CA 95814

Summary of Key Points:

 The decision body for this item is the Board, upon recommendation by the County Planning Commission.

- Utilizing Local Early Action Planning (LEAP) grant funds administered by the Department of Housing and Community Development (HCD), the Infill Program Update builds upon the 2008 effort to encourage infill development and to increase and accelerate housing production in the County.
- The Infill Program Update identifies 7 barriers to infill development, and an implementation program consisting of 13 implementation actions (and recommendations) addressing these barriers with implementation assigned to various County departments.
- While most of the implementation actions (11 of 13) are currently in process, staff is requesting direction to further initiate additional implementation actions. This includes initiating an update to the Mixed-Use Design Guidelines to make them objective design standards.
- Environmental Document: Notice of Exemption.

Recommendations:

Planning and Environmental Review staff recommends that the Planning Commission make the following recommendations to the Board:

- Recognize the exempt status of the request under Section 15262 and 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines (Attachment 5).
- Adopt the Infill Program Update and direct staff to initiate the identified implementation actions (RES).

Background

The development of the Infill Program Update (Project) is informed by the prior 2008 Infill Program as well as recent direction from the Board regarding improvements to the County's development review process, particularly as it relates to housing and infill development.

2008 Infill Program

On May 14, 2008, the Board adopted the *Infill Program and Principles* (2008 Infill Program, Attachment 1) recognizing the value of infill development, not only for its environmental benefits of using land more efficiently, but also the benefit quality infill brings to neighborhoods and communities. Prior to adoption of the 2008 Infill Program, the Board approved an Infill Coordinator position in September 2007 to develop and oversee the infill program with the primary responsibilities of:

- Defining quality infill;
- Identifying constraints and barriers to quality infill development;
- Developing strategies and policies to minimize (and where possible, to remove) constraints;
- Developing and providing incentives for quality infill projects;
- Developing an outreach program for the County's residents and hearing bodies that would educate them of the benefits of a quality infill project;
- Forming a project "response team" that would work to identify infrastructure challenges, coordinate construction of needed infrastructure in targeted areas, and serve as a coordination/response team to identify key infill projects.

In support of the above primary responsibilities, the 2008 Infill Program identifies five principles for a successful infill program targeting policy reform, education and outreach, and coordination with internal and external customers. With the adoption of the 2008 Infill Program, the Board directed County staff to take the following next steps in furtherance of the five principles:

- 1. Identify targeted priority projects that are considered strategic to the County, which meet the requirements of a quality infill project.
- 2. Designate three infill commercial corridors (North Watt Avenue, Florin Road, and Fair Oaks Boulevard) as priority infill areas and identify solutions to infill barriers in key opportunity areas/parcels with development or redevelopment potential.
- 3. Designate the three infill commercial corridors as pilot areas for the purpose of recommending changes to existing policies, standards, and

administrative practices and to identify where incentives could be implemented.

- 4. Recommend infill incentives for consideration by the Board concurrent with proposed updates to policies, standards, new fees, and fee increases.
- 5. Approve and implement new policies to remove regulatory barriers and facilitate infill for review and adoption by the Board.

Following the Board's adoption of the 2008 Infill Program, the Country as a whole, including California, was amid the Great Recession experiencing record unemployment, a housing market bust, sizable budget shortfalls, and downturns across nearly all major industries in the State. The County was no exception, and the Great Recession significantly impacted development within the County and the County's budget. The impact on County resources from the Great Recession resulted in the elimination of the Infill Coordinator position, whose primary role was to implement and ensure the success of the infill program. Item 3 above was partially implemented with the adoption of the Old Florin Town Special Planning Area (SPA) in July 2011, Fair Oaks Boulevard Corridor Plan in October 2011, and North Watt Avenue Corridor Plan in August 2012. However, additional efforts to ensure the success of these plans and continued implementation and management of the infill program did not occur due to the budgetary impacts from the Great Recession.

Concurrent and Ongoing Processes

While the Project was being formulated, the overarching need to streamline development processes, especially related to housing and commercial corridor investment, gained momentum resulting in concurrent and related efforts. These concurrent efforts included the 2022/2023 Development Review Process Review, the April 2024 Housing and Infill Workshop, and June 2024 Resolution of Intention affirming the Board's direction to staff regarding housing and infill development as further discussed below.

2022/2023 Development Review Process Review

Due to a low level of customer satisfaction with the County's development review process expressed by the development industry, the Board and County Chief Executive Officer retained a consultant to provide a general assessment of the development review process and identify recommendations for improvement (Sacramento County Development Review Process: Assessment and Recommendations, included as Appendix A to Exhibit A in RES). The report identifies 12 key areas of concern, and 34 recommendations targeting the key areas of concern to improve the timeliness of review, ensure a predictable and consistent process, and provide outstanding customer service throughout the County's development review process.

The Board adopted Resolution No. 2023-0104 in February 2023 (Attachment 2) affirming its support for development review process improvements while also acknowledging the unprecedented housing supply and affordability crisis and identifying the need to facilitate equitable investment in and economic development of existing communities, particularly within aging commercial corridors and Environmental Justice communities, and public improvements to help catalyze such investments. Among numerous affirmations in Resolution No. 2023-0104, the Board specifically:

- Directs staff to implement improvements that lead to a development review process that is predictable, consistent, and easy to understand; and reduce silos and increase communications across County functions and with partner agencies and organizations involved in the development review process.
- Strives to provide adequate staffing and resources and encourages staff to leverage external assistance and expertise as necessary, along with grant funding, to accomplish identified goals.
- Supports amendments to County codes and regulations that allow for more ministerial/by-right development, approvals at staff-level or lower hearing bodies, and other changes that make it easier to do business with and build within the County.

2024 Housing and Infill Board Workshop

Building from the general direction provided in Resolution No. 2023-0104 and subsequent discussions of infill and housing at a Board retreat in September 2023, a Board Workshop was held on April 10, 2024 to discuss in greater detail the potential process improvements and County code amendments to be undertaken as well as considerations for financial incentives. During the workshop, the Board affirmed its desire to increase housing and infill development in the County through a variety of policy and procedural changes designed to incentivize and accelerate the construction of housing at all income levels and spur increased economic investment within the County's vital commercial corridors.

The Board adopted Resolution No. 2024-0394 on June 4, 2024 (Attachment 3) affirming specific direction for staff to undertake related to process improvements, hearing body authority, and regulatory and financial incentives to streamline development of housing in infill areas. These Board affirmations include, but are not limited to, directing staff to:

 Initiate Sacramento County Zoning Code (Zoning Code), Special Planning Area (SPA), Neighborhood Preservation Area (NPA), and County Code amendments, and amendments to any other applicable ordinances, policies, and documents to 1) allow for by-right development of housing and infill projects, particularly along commercial

and mixed-use corridors; and 2) update, revise, or eliminate development and design standards to facilitate and maximize housing and infill development.

- Bring forth the Infill Program Update for consideration and supports the establishment of an Infill Coordinator position to support the program.
- Prepare a list of SPAs, NPAs, and Corridor Plans to be updated, revised, or eliminated with prioritization based on areas with the greatest housing and infill development potential.
- Explore new and innovative financing relief mechanisms including, but not limited to a pilot program to offset County development impact fees for eligible housing projects, a tax increment loan program to assist with gap financing for housing and infill development projects, modifying the timing for payment of some development impact fees, and exploring other mechanisms such as establishment of enhanced infrastructure financing districts (EIFDs).

Project Description: Infill Program Update

The County was awarded LEAP grant funds from HCD for a program that would encourage infill development and increase and accelerate the production of housing in the County. The Infill Program Update (Exhibit A in RES) builds upon the 2008 Infill Program by identifying the barriers to infill development, and actions the County can take to facilitate their removal, both of which are further described below.

Barriers to Infill

The Infill Program Update identifies the following seven barriers to infill development.

- 1. <u>Competition from new growth areas.</u> Greenfield development in new growth areas is often seen as being more cost-efficient and easier than acquiring and assembling land for the construction of infill development.
- 2. <u>Infrastructure deficiencies and cost to upgrade.</u> Many of the County's traditional commercial corridors were built and designed for cars rather than people and have aging utility infrastructure that may not be equipped to handle new higher density development.
- 3. <u>High development costs.</u> The total cost of improvements and fees, including costs associated with acquiring urbanized land, project application fees, and development impact fees, often do not come to light until late in the review process. Current inflation and high interest rates further add to overall project cost.
- 4. <u>Lot size and parcel assembly.</u> Parcels in already urbanized areas tend to be smaller in size; the process of acquiring and assembling parcels of a

sufficient size to attract developers can represent a significant development cost and often requires coordination among multiple property owners.

- 5. <u>Challenging permitting process.</u> Longer and more difficult paths to approval can dramatically add to project costs and timelines. Stakeholders have expressed that the County's review process is confusing and lacks clear direction for permit review criteria, steps, and timeline. In addition to feedback from stakeholders received during the public outreach conducted for the Infill Program Update, this feedback has also been received by stakeholders during the concurrent and related processes above.
- Rigid or complex development regulations. Strict and complex zoning standards and design guidelines (i.e., requirements for minimum lot size or setbacks, height maximums, or standards for garages or landscaping) that do not allow for flexibility can present barriers to infill successful development.
- 7. <u>Time consuming and/or lack of coordination</u>. There are numerous internal departments and external agencies involved in the County's development review process which necessitates time-consuming coordination. Additionally, lack of coordination between departments and agencies can contribute to project delays, added costs, and confusion and frustration for infill developers.

Implementation Program

In response to the identified barriers, the Infill Program Update identifies 13 implementation actions, with responsible County department and timeframe for completion. Table 1 provides an overview of each implementation action, responsible County department, timeframe for completion, as well as status of implementation. The table also includes recommendations identified in the Infill Program Update's infill incentives toolkit which were developed through research of best practices, interviews with stakeholders, and feedback from the community. These recommendations for implementation actions are intended to incentivize equitable development and present infill as a feasible alternative to greenfield development by addressing the current primary barriers of cost, process, and development regulations. It is noted that these 13 implementation actions are the first set of actions intended to establish the Program. As the Program is further implemented and evolves with the everchanging development landscape as well as County and stakeholder needs, additional implementation actions will be identified and coordinated by the Infill Coordinator as appropriate.

As shown in Table 1, the status of most implementation actions (11 of 13) are currently in progress because of Board direction affirmed in Resolutions No.

2023-0104 and 2024-0394. As indicated by staff at the Board hearings associated with adoption of said resolutions, the timing identified for the implementation actions are goals staff aspires to complete actions by. However, actual timelines associated with completing implementation actions are contingent on budget, staffing, and other competing priorities.

Regarding implementation actions #5 (analyze and amend NPAs, SPAs, and corridor plans) and #9 (establish mixed-use districts and objective standards), updates to both the Stockton Boulevard SPA and North Watt Avenue Corridor Plan are currently underway. Although the localities of these commercial corridors differ, updates to both these land use plans are intended to establish usable mixed-use districts and accompanying objective standards, furthering the implementation actions and recommendations identified in the Infill Program Update. Additionally, draft objective design standards for mixed-use development have also been prepared as part of the Project (Attachment 4). Staff intends to initiate a Zoning Ordinance amendment to bring forth refined objective design standards for mixed-use development for Board consideration and adoption.

Table 1. Overview of Infill Program Update's Implementation Program

Implementation Action (Responsible Department)	Description of Action	Implementation Status
Ongoing		
#1: Increase coordination with residents, community groups, and stakeholders (Community Development Department)	This action calls for developing additional citizen engagement strategies and processes to broaden engagement with traditionally underrepresented populations (i.e., renters, low-income households, people who are experiencing homelessness, people of color, youth, individuals with disabilities, families).	In progress. This implementation action would be developed on a project-by-project basis, taking into consideration a project's unique stakeholder group. Consistent with General Plan Policy EJ-2, the County supports an equitable and comprehensive approach to civic engagement and public outreach in all aspects of County governance and delivery of services.
#2: Increase coordination and partnerships with agencies/departments involved in the development review process (multiple County departments)	This action calls for improving coordination between County departments and agencies involved in the development review process translating to greater certainty and a smoother review process. Recommendations for this action include coordinating regular meetings to share updates and learn about challenges that span multiple departments/agencies.	In progress. This implementation action has been affirmed by the Board in Resolution No. 2023-0104 by directing staff to reduce silos and increase communications across County functions and with partner agencies and organizations involved in the development review process, including the updating of all inter-agency agreements to clearly stipulate roles, responsibilities, performance expectations, and standards for participating in the development review process which is identified as a first tier recommendation contained in Sacramento County Development Review Process: Assessment and Recommendations.
#3: Expand other financial programs and resources (Community Development Department and Economic Development)	This action calls for increasing funding opportunities for infill projects and connecting developers with funding resources to help address financial barriers to development. Recommendations for this action include providing a summary of financial resources	In progress. This implementation action has been affirmed by the Board in Resolution No. 2024-0394 in directing staff to explore new and innovative financing relief mechanisms including a tax increment loan program to assist with gap financing

Implementation Action (Responsible Department)	Description of Action	Implementation Status
	for housing development (see Appendix D to Exhibit A in RES) to potential infill housing developers and pursuing financial programs and resources to fund infrastructure improvements to support infill development (see Appendix E to Exhibit A in RES). Additionally, continuing to explore the feasibility of an infill fee on non-infill development, incorporated into the Climate Action Plan. Revenue generated by the fee would be used by the County to facilitate infill development. Also, consider conducting market analyses or infrastructure studies to facilitate development in key infill areas.	for housing and infill development projects. This implementation action is targeted for completion by the second quarter of 2025.
#4: Expand and routinely update applicant resources (Community Development Department)	This action calls for the County to routinely update all existing and future applicant resources and remove any outdated or inaccurate material that is publicly accessible (i.e., on the County's website). Recommendations for this action include expanding the number of available applicant resources by creating similar "walk through" guides for projects in SPAs and NPAs in key infill areas. These "walk through" guides could serve as instruction manuals providing information on how to apply the specific land use controls in these documents for specific project types. Additionally, staff should also aim to increase public knowledge of all available applicant resources through improved advertising and marketing efforts.	In progress. This implementation action has been affirmed by the Board in Resolution No. 2023-0104 by directing staff to implement improvements that lead to a development review process that is predictable, consistent, and easy to understand. Most recently, the Breaking Ground Guide has been updated to provide a guide for potential developers in the County. Updates to planning applications and other applicant resources are also planned as part of process improvements.
#5: Analyze and amend NPAs, SPAs, and corridor	This action calls for reviewing the County's NPAs, SPAs, and corridor plans to assess whether these plans are still relevant to the	In progress. This implementation action has been affirmed by the Board in Resolutions No. 2023-0104 and 2024-0394.

Implementation Action (Responsible Department)	Description of Action	Implementation Status
plans (Community Development Department)	needs of the community and how they could be easier to implement for developers and staff. Due to the substantial amount of these land use plans (68), this action recommends prioritizing review of plans in key infill areas.	The latter specifically directs staff to prepare a list of SPAs, NPAs, and Corridor Plans to be updated, revised, or eliminated with prioritization based on areas with the greatest housing and infill development potential. After preparation of the list, a general evaluation of needed amendments is targeted for completion by quarter four of 2024. Priority amendments will be ongoing as budget and resources allow. Both the Stockton Boulevard SPA and North Watt Avenue Corridor Plan are in various stages of being updated, targeted for completion by the second quarter of 2025 and second quarter of 2026, respectively. Applicant resources for these plans will be created to assist interested developers and to also market/advertise the plans in line with implementation action #4 (expand and routinely update applicant resources).
#6: Update County General Plan (Community Development Department)	This action calls for the update to the County General Plan to ensure that all goals, policies, and actions align with the County's vision for responsible infill development. Recommendations for this action include the expansion of mixed-use districts and increasing the minimum residential standard for infill areas to further encourage infill housing development.	Planned. The workplan for the General Plan update is anticipated in early 2025. The official kick-off date along with extensive public outreach is to be determined but final adoption by 2030 is targeted.
Near-term (1-2 years)		
#7: Hire Development Process Manager(s) (Community Development Department)	This action calls for the hiring of one or more Development Process Managers who would help shepherd projects through the review process and would be the single point-of-	In progress. This implementation action has been affirmed by the Board in Resolution No. 2023-0104 by striving to provide adequate staffing to accomplish

Implementation Action (Responsible Department)	Description of Action	Implementation Status
	contact between applicants and County plan reviewers. This action also recommends that the County prioritize infill projects, especially those that provide housing, when assigning projects to the Development Process Managers.	identified goals, including the hiring of Development Process Managers which is identified as a first-tier recommendation contained in Sacramento County Development Review Process: Assessment and Recommendations. The first Development Process Manager has been hired and additional Development Process Managers are anticipated to be hired within the next one to two years.
#8: Hire on-call consultant(s) (Community Development Department)	This action calls for the hiring of on-call consultants to help alleviate long review times for applicants, address short-term staffing shortages and workload imbalances. Recommendations for this action include renewing and expanding the pool of preapproved plan review consultants to assist County staff with expedited permit review under the Fast Track Permit Processing Program.	In progress. This implementation action has been affirmed by the Board in Resolution No. 2023-0104 by striving to provide adequate staffing to accomplish identified goals, including the hiring of oncall consultants which is identified as a first-tier recommendation contained in Sacramento County Development Review Process: Assessment and Recommendations. Multiple divisions within the Community Development Department have since retained on-call consultants, including PER for environmental review assistance and County Engineering for surveying assistance.
#9: Establish mixed-use districts and objective standards (Community Development Department)	Given the generally unsuccessful implementation of the County's existing mixed-use zoning districts, this action calls for establishing mixed-use districts with clear and appropriate development and design standards. Recommendations for this action include rezoning key infill areas to a mixed-use zoning district and replacing the mixed-use	In progress. This implementation action has been affirmed by the Board in Resolutions No. 2023-0104 and 2024-0394. The latter specifically directs staff to initiate Zoning Code, SPA, NPA, and County Code amendments, and amendments to any other applicable ordinances, policies, and documents to 1) allow for by-right development of housing and infill projects, particularly along commercial and mixed-

Implementation Action (Responsible Department)	Description of Action	Implementation Status
	development design guidelines with objective design standards. Easy to understand objective design standards help reduce uncertainty for developers and minimize barriers to the creation of mixed-use development that would be appropriate in infill areas.	use corridors; and 2) update, revise, or eliminate development and design standards to facilitate and maximize housing and infill development. Both the Stockton Boulevard SPA and North Watt Avenue Corridor Plan are being updated with the intent of establishing usable mixed-use districts and accompanying objective standards. These plan updates are targeted for completion by the second quarter of 2025 and second quarter of 2026, respectively. Additionally, draft objective design standards for mixed-use development have also been prepared. Staff intends to initiate a Zoning Ordinance amendment to bring forth refined objective design standards for mixed-use development for Board consideration and adoption.
Mid-term (2-4 years)		
#10: Update Zoning Code development standards (Community Development Department)	This action calls for efforts to comprehensively update development standards, including but not limited to lot size, setbacks, height, and parking regulations, to be objective, clear, and appropriate to facilitate infill development that provides a range of commercial and housing opportunities. Recommendations for this action include modifying minimum lot size and width standards for infill areas, modifying setback requirements for infill areas to encourage pedestrian-friendly infill development while balancing the existing character of an area,	In progress. This implementation action has been affirmed by the Board in Resolutions No. 2023-0104 and 2024-0394. The latter specifically directs staff to initiate Zoning Code, SPA, NPA, and County Code amendments, and amendments to any other applicable ordinances, policies, and documents to 1) allow for by-right development of housing and infill projects, particularly along commercial and mixeduse corridors; and 2) update, revise, or eliminate development and design standards to facilitate and maximize housing and infill development. This

Implementation Action (Responsible Department)	Description of Action	Implementation Status
	modifying the most restrictive height requirements to enable infill development that can more feasibly accommodate the residential density targeted, and allowing flexibility by waiving and/or reducing requirements that may be barriers for denser multifamily developments on smaller/more constrained lots (i.e., common open space, private open space requirements, and storage requirements).	implementation action is targeted for completion by quarter three of 2025.
#11: Define and hire Infill Coordinator(s) (Community Development Department)	This action calls for the re-establishment of the Infill Coordinator position. The organizational placement and role of this position would be further defined, with the primary purpose being to oversee and administer a successful infill program. Recommendations for this action include the Infill Coordinator refining the definition of "quality infill project," and considering the appropriate reporting mechanism to the Board on the infill program.	In progress. This implementation action has been affirmed by the Board in Resolution No. 2024-0394 in directing staff to bring forth the Infill Program Update for consideration and supporting the establishment of an Infill Coordinator position in support of the program.
#12: Amend existing fee reduction and waiver programs (Community Development Department and Economic Development)	This action calls for analyzing and modifying the County's existing fee reduction and waiver programs for infill projects which may help reduce the upfront fiscal burden for developers. These existing fee reduction and waiver programs have annual caps and criteria that may limit the number of development projects that could qualify for these programs. Recommendations for this action include increasing the annual fee waiver cap for qualified residential development projects to further incentivize affordable housing	In progress. This implementation action has been affirmed by the Board in Resolution No. 2024-0394 in directing staff to explore new and innovative financing relief mechanisms, specifically: establishing a three-year pilot program to offset County-only impact fees for affordable housing projects, determining if collection of impact fees to occupancy instead of building permit issuance/approval of improvement plans is feasible, and coordinating with external agencies to defer development impact fees normally required at building permit

Implementation Action (Responsible Department)	Description of Action	Implementation Status
	production under the Affordable Housing Fee Deferral and Waiver Program, and to allow infill projects to benefit from waived interest on deferred fees, regardless of the potential resulting number of full-time jobs, under the Non-Residential Fee Deferral Program.	issuance. This implementation action is targeted for completion by quarter four of 2024. The updated program will modify the existing Affordable Housing Fee Deferral and Waiver Program to ensure that impact fees are offset by backfilling fee revenue to ensure the necessary services needs are met.
#13: Expand Fast Track Permit Processing Program (Community Development Department and Economic Development)	This action calls for an expansion of the County's existing Fast Track Permit Processing Program to infill projects as a means to address lengthy plan review timelines. Currently, projects meeting certain criteria standards such as providing employment opportunities, supporting affordable housing, or enhancing clean energy are eligible for the program. Recommendations for this action include expanding the Fast Track Permit Processing Program to also apply to infill projects and to integrate Fast Track tasks into the Development Process Manager's roles and responsibilities.	Not fully implemented yet. This implementation action has not been fully implemented yet. Program development is ongoing and will be more broadly published in the near future.

General Plan Consistency

The Sacramento County General Plan of 2005-2030 (General Plan) is a set of policies, goals, and maps that form a blueprint for physical development in the unincorporated County areas. Table 2 presents the General Plan policies applicable to the Project and provides a consistency analysis of the Project in relation to these policies. As shown in Table 2, the Project is consistent with all applicable General Plan policies.

Table 2. Consistency with General Plan Policies

General Plan Policies	Consistency
Land Use (LU) Element	
Policy LU-3. It is the intent of the County to focus investment of public resources on revitalization efforts within existing communities, especially within commercial corridors, while also allowing planning and development to occur within strategic new growth areas.	Consistent. The Project outlines 13 implementation actions conducted by various County departments prioritizing efforts to facilitate investment and development within existing communities and commercial corridors.
Policy LU-4. The County shall give priority to residential development on vacant or underutilized sites within existing urban areas that have infrastructure capacity available.	Consistent. The Project provides a comprehensive outline of actions to implemented to reduce barriers and facilitate development on underutilized sites in existing urban areas.
Policy LU-6. Provide for the development of vacant or underutilized portions of commercial projects and industrial-office parks with medium or high-density residential uses or mixed-use development where appropriate, such as near existing or planned transit service.	Consistent. The Project calls for Zoning Code amendments including amended mixed-use zoning districts and mixed-use design guidelines and standards which would allow for and facilitate increased development opportunities within commercial areas near transit.
Policy LU-7. Provide for additional mixed-use development in commercial parking areas where such uses would be compatible with surrounding uses and where parking demand can be appropriately accommodated or structured parking can be constructed.	Consistent. The Project identifies suggested Zoning Code amendments including an analysis of parking standards. As part of the amendment package, staff will review standards for structured parking and examine the need for parking structure specific standards and guidelines to reduce barriers to the conversion of surface parking areas into mixed-use development where appropriate.
Policy LU-68. Give the highest priority for public funding to projects that facilitate and encourage infill, reuse, redevelopment and rehabilitation, mixed-use development, particularly in Environmental Justice Communities, and that will result in perperson vehicle miles traveled lower than the County average, and the lowest priority for	Consistent. The Project identifies key infill areas based on criteria related to site context including adjacency to urban uses, location within a commercial corridor and/or identified Environmental Justice Community, transit adjacency, proximity to resources, and location within an identified Green Zone. These key infill areas would be

General Plan Policies	Consistency	
Land Use (LU) Element		
projects that do not comply with public facilities Master Plan phasing sequences.	prioritized for updates to SPA, NPA, and Corridor Plans; grant funding; and project fast track eligibility.	
Environmental Justice (EJ) Element		
Policy EJ-2. The County supports an equitable and comprehensive approach to civic engagement and public outreach on all aspects of County governance and delivery of services.	Consistent. The Project identifies, as an implementation action, increased coordination with residents, community groups, and stakeholders noting the County's diverse population and the corresponding need for innovative approaches to engagement.	
Housing (HE) Element		
Policy HE 1.2.1. The County will promote and facilitate the build-out of vacant and underutilized urban land through infill and reuse activities as appropriate for housing.	Consistent. The implementation actions contained in the Infill Program have been designed to reduce barriers to the development and facilitate the development of housing and infill projects.	

The General Plan also identifies several implementation measures in support of the buildout of infill sites (Urban Growth Accommodation Strategies), including:

- A. Continue funding an Infill Coordinator position and identify programs to promote infill development. The Infill Coordinator shall conduct outreach to communities for their involvement and input.
- B. Monitor the location and ratio of infill and reuse development and changes in holding capacity resulting from rezones or development with other uses. Establish an incentive program for owners of properties designated for infill and owners of property or property managers of large commercial areas which contain excessive parking to convert their surface parking to structured parking and accommodate higher density and intensity development that allows for special consideration in application processing.
- D. Coordinate with public and private interest in the promotion of sites for infill development.
- F. Develop a strategy to incentivize priority development of residential vacant or underutilized sites within urban areas that have infrastructure available.

The Project calls for the re-establishment of the Infill Coordinator position consistent with Urban Growth Accommodation Strategy A. Although the role has not been formally defined, the key duties of the Infill Coordinator position would be inclusive of above-identified implementation measures.

Environmental Determination

The Project is exempt from CEQA under CEQA Guidelines Section 15262 and 15061(b)(3), Feasibility and Planning Studies and the "Common Sense" Exemption, respectively (Attachment 5). The proposed project is exempt under the Statutory Exemption (CEQA Guidelines Section 15262) for Feasibility and Planning Studies, because the Infill Program is a planning study that outlines future actions and will not have legally binding effects on later activities or on any parcel within the County. Furthermore, the proposed project would also be exempt as a "common sense" exemption under State CEQA Guidelines Section 15061(b)(3) because approval of the Infill Program Update would not have the potential to cause a significant effect on the environment.

The Notice of Exemption (NOE) concluded that the project can be determined to be exempt from CEQA as it does not include amendments to any land use or zoning regulations, but instead provides a strategic workplan of potential future actions which would undergo independent environmental analysis at the time when they are undertaken, as appropriate. Therefore, it can be seen with certainty that the Infill Program Update would not have a significant effect on the environment and is therefore exempt from CEQA review.

Public Outreach and Community Response

As described in the Infill Program Update's Engagement Summary (Appendix A to Exhibit A in RES), outreach was conducted through targeted community engagement events which included:

- "Pop-ups" at multiple community events;
- Online community workshop;
- Online stakeholder meeting with affordable and market-rate housing developers, business groups, and community-based organizations; and
- Community online engagement through a Countywide survey and project webpage.

As described under 2024 Housing and Infill Board Workshop above, a Board Workshop was held on April 10, 2024 to discuss in greater detail potential process improvements and code amendments specific to housing and infill development. Public comments were received during the Board Workshop from representatives of the North State Building Industry Association; Winn Communities; Avdis and Cucchi, LLP; Environmental Council of Sacramento; and Baker Williams Engineering in support of policies facilitating additional housing and infill development in the County, including implementation actions identified in the Infill Program Update.

Conclusion

The Infill Program Update is a roadmap to facilitate policy and procedural changes, as well as development review process improvements, to encourage infill development and to increase and accelerate housing production in the County. Building upon the 2008 Infill Program, the Infill Program Update identifies 7 barriers to infill development, and an implementation program consisting of 13 implementation actions (and recommendations) addressing these barriers. As described in *Implementation Program* above, most implementation actions (11 of 13) are currently in progress because of Board direction affirmed in Resolutions No. 2023-0104 and 2024-0394.

Staff notes that implementation action #11 (define and hire Infill Coordinator[s]) identified in the Infill Program Update is one of the crucial actions to ensure success of the overall program. The primary purpose of the Infill Coordinator is to oversee and administer a successful infill program, managing the progress of implementation actions and facilitating coordination amongst various responsible County departments. This position is key in ensuring the program's continued implementation and long-term evolution. Specific tasks for this position have yet to be defined, but may include (as identified in the 2008 Infill Program and General Plan implementation measures in support of the buildout of infill sites):

- refining the definition of "infill" and "quality infill project" and establishing application processing prioritizations for projects that qualify for the latter definition;
- considering the appropriate reporting mechanism to the Board on the infill program;
- conducting outreach to communities for their involvement and input;
- monitoring the location and ratio of infill and reuse development and changes in holding capacity resulting from rezones or development with other uses;
- establishing an incentive program for owners of properties designated for infill and owners of property or property managers of large commercial areas which contain excessive parking to convert their surface parking to structured parking and accommodate higher density and intensity development that allows for special consideration in application processing;
- coordinating with public and private interest in the promotion of sites for infill development; and
- developing a strategy to incentivize priority development of residential vacant or underutilized sites within urban areas that have infrastructure available.

Additionally, implementation actions #5 (analyze and amend NPAs, SPAs, and corridor plans) and #9 (establish mixed-use districts and objective standards) are currently in progress for both the Stockton Boulevard SPA and North Watt Avenue Corridor Plan. Although the localities of these commercial corridors differ, updates to both these land use plans are intended to establish usable mixed-use districts and accompanying objective standards, furthering these implementation actions and recommendations identified in the Infill Program Update. Draft objective design standards for mixed-use development have also been prepared as part of the Project (Attachment 4). Building off this work, staff recommends the Planning Commission recommend to the Board to adopt the Infill Program Update, and direct staff to initiate a Zoning Ordinance amendment to bring forth refined objective design standards for mixed-use development for consideration and adoption.

Attachments

RES <u>DRAFT</u> Board Resolution Adopting Infill Program Update

ATT 1 Infill Program and Principles (2008 Infill Program)

ATT 2 Resolution No. 2023-00104, Development Review Process Improvements

ATT 3 Resolution No. 2024-0394, Housing and Infill Board Workshop

ATT 4 Draft Mixed-Use Development Objective Design Standards

ATT 5 Environmental Document: Notice of Exemption