

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
August 20, 2024
Timed: 10:15AM

To: Board of Supervisors

Through: David Villanueva, County Executive
Dave Defanti, Deputy County Executive,
Community Services

From: Todd Smith, Planning Director
Planning and Environmental Review
Community Development Department

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

District(s): All

RECOMMENDED ACTION

1. Recognize the exempt status of the request under Section 15262 and 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines (Attachment 7).
2. Adopt the Infill Program Update and direct staff to initiate the identified implementation actions (RES).

BACKGROUND

2008 Infill Program

In September 2007, the Board of Supervisors (Board) approved an Infill Coordinator position to develop and oversee a program to identify barriers to and facilitate infill development. Subsequently the *Infill Program and Principles* (Attachment 1) was developed and adopted by the Board on May 14, 2008, which further identified barriers to infill development, identified five next steps, and provided policy recommendations to facilitate infill development. In 2008, the Great Recession took effect resulting in record unemployment, a housing market bust, sizable budget shortfalls, and downturns across nearly all major industries in the State which also resulted in the reallocation of County resources and the elimination of the Infill Coordinator position.

Project: Infill Program Update

Following the end of the recession and amidst increased development, coupled with a notable absence of substantial infill development within the County, Planning and Environmental Review (PER) applied for and successfully obtained a Local Early Action Planning (LEAP) grant in 2021. This grant, totaling \$369,725, was secured with the specific objective of identifying existing barriers to infill development and formulating a strategy to address these challenges through an Infill Program Update (Project). The Project has been guided by a robust public engagement strategy, market research, and other concurrent and ongoing County efforts including the 2022/2023 Development Review Process Review (Sacramento County Development Review Process: Assessment and Recommendations), commonly known as the Kerridge Report, Board Retreat held on October 19, 2023, and Board Workshop on Housing and Infill Development held on April 10, 2024. The Project identifies seven barriers to infill development, provides an Implementation Program with 13 actions to address the identified barriers, provides a summary of financial resources for infill housing for developers, and provides an analysis of infrastructure funding options for the County's use.

Implementation Program

An Implementation Program with 13 implementation actions has been provided including the responsible party and anticipated timing for each action. The Implementation Program can be found on page 37 of the Project while a detailed overview of implementation actions can be found in Table 1 of Attachment 5. The implementation actions are intended to be a starting point and are not considered an exhaustive list. Of the 13 implementation actions, the Board has already provided direction on all but two actions in the *Development Review Improvements Resolution* (Attachment 2) and the *Resolution Affirming Board Direction to Staff Regarding Housing and Infill Development* (Attachment 3). The two implementation actions that the Board has not provided direction on are an update to the General Plan, which is already expected with the General Plan's 2030 horizon, and the expansion of the Fast Track Program, which the Infill Coordinator would be tasked with further refining and evaluating in collaboration with the Office of Economic Development.

The timing identified for each implementation action is intended to be aspirational with the implementation being fluid based on Board direction and available resources. A key role of the Infill Coordinator will be to ensure the program evolves and responds to Board direction and ever-changing issues that may impact infill development such as legislation, the climate, the economy, and the needs of the communities. New and/or updated

implementation actions will be considered, as appropriate. Implementation of the currently proposed or any new/updated implementation actions could be discretionary or administrative programs and would be reviewed by the Planning Commission and Board of Supervisors, as appropriate.

Draft Mixed-Use Objective Design Standards

In furtherance of the established mixed-use districts and objective standards implementation action, draft objective mixed-use design standards (Attachment 4) have been developed. While these are still in early draft form, and currently reflect industry standard best management practices, staff is requesting direction for the initiation of Zoning Code amendments to refine the standards. If initiated, staff would continue to vet the provided draft mixed-use objective design standards and come back with a final draft for the Board's review and adoption at a later date.

Consistency with the General Plan

Policy LU-3 of the General Plan's Land Use Element states that *"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."* The Infill Program is the game plan to continue the facilitation of the infill component of this policy. The Project is consistent with and/or implements Land Use Element policies related to mixed-use development, urban growth accommodation, and existing community investment (policies LU-4, LU-6, LU-7, LU-68); Environmental Justice Policy related to civic engagement and public outreach (policy EJ-2), and Housing Element Policy related to the build-out of vacant and underutilized urban land (policy HE-1.2.1); and furthers implementation of Urban Growth Accommodation Strategies which include funding of the Infill Coordinator Position (Strategy A), the monitoring and reporting of progress on infill development (Strategy B), the coordination of public and private interests towards infill (Strategy D), and the development of infill incentives (Strategy F).

Public Outreach and Community Response

As described in the Project'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,

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- Community online engagement through a Countywide survey and project webpage.

A draft of the Project was included in the Board Workshop on housing and infill development held on April 10, 2024. Public comments received included testimony from the North State Building Industry Association; Winn Communities; Avdis and Cucchi, LLP; the Environmental Council of Sacramento; and Baker Williams Engineering in support of policies facilitating additional housing and infill development in the County, including the implementation actions identified in the Project.

Planning Commission Recommendation

The Project was heard by the Planning Commission on June 24, 2024 (Attachment 5). Commissioners expressed support for the Project, further noting their support for the implementation actions and overall program. The Commissioners emphasized the importance of continued coordination amongst all agencies involved in the infill review process, and continued engagement with infill developers. One public comment letter was received from 350 Sacramento which expressed general support for the project but noted the concern of continued greenfield development. The Planning Commission unanimously recommended approval of the Project (4 Yes – 0 No, 1 Absent) (Attachment 6).

Environmental Review

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 7). The Project is exempt under the Statutory Exemption (CEQA Guidelines Section 15262) for Feasibility and Planning Studies, because the Project 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 Project would also be exempt as a “common sense” exemption under State CEQA Guidelines Section 15061(b)(3) because approval of the Project would not have the potential to cause a significant effect on the environment.

The Notice of Exemption (NOE) (Attachment 7) concluded that the Project is 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, the NOE concluded that it can be seen with certainty that the Project would not have a significant effect on the environment and is therefore exempt from CEQA review.

Analysis

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

Staff recommends that the Board recognize the exempt status of the request under Section 15262 and 15061(b)(3) of the CEQA Guidelines (Attachment 7), adopt the Project, and direct staff to initiate the identified implementation actions (RES).

FINANCIAL ANALYSIS

This Project has been funded by a LEAP grant. The programs identified in the Implementation Program will be funded through REAP, LEAP, Green Means Go grant funds and Fiscal Year 2024-25 Approved Recommended Budget and subsequent fiscal years.

ATTACHMENTS:

- RES – Resolution Of The Board Of Supervisors Of Sacramento County, State Of California, To Adopt The Sacramento County Infill Program Update And Initiate Identified Implementation Actions
- ATT 1 – Infill Program and Principles (2008 Infill Program)
- ATT 2 – Resolution No. 2023-0104, Development Review Process Improvements
- ATT 3 – Resolution No. 2023-0394, Housing and Infill Board Workshop
- ATT 4 – Draft Objective Mixed-Use Design Standards
- ATT 5 – County Planning Commission Staff Report – No Attachments
- ATT 6 – County Planning Commission Transmittal
- ATT 7 – Environmental Document – Notice of Exemption