

STAFF REPORT

City Council Business Item

DATE: September 5, 2023

TO: Honorable Mayor and Council Members

FROM: Merritt Perry, City Manager

SUBJECT: **Public Hearing: Consider Adopting the Multifamily Design Standards, Resolution 2023-26**

STAFF RECOMMENDATION:

Receive staff report, receive public comment, and approve *Resolution 2023-26* to adopt the Multifamily Design Standards.

BACKGROUND:

In 2019 the City of Fortuna received a grant from the California Department of Housing and Community Development (HCD) SB2 Planning Grant Program to streamline planning and permitting processes, update ordinances, and implement other activities that facilitate housing production. The City used SB2 funds to adopt an updated Accessory Dwelling Unit (ADU) ordinance in 2022. The City is also using SB 2 funds to prepare Multifamily Design Guidelines and updated Improvement Standards and Specifications.

On December 7, 2020, the City Council and Planning Commission held a study session to provide feedback on a recommended approach to the Multifamily Design Standards task (see Attachment 2 for meeting materials). On October 14 and December 1, 2020, City staff also received feedback from a group of local stakeholders on the approach.

Based on feedback from the City Council, Planning Commission, and stakeholder group, staff and consultants prepared the draft Multifamily Design Guidelines (Attachment 1, Exhibit 1).

The Planning Commission held a public hearing on June 27, 2023, to consider the draft Multifamily Design Standards. At this hearing the Planning Commission voted (5-0) to recommend that the City Council adopt the Design Standards. After this action by the Planning Commission, staff identified a number of non-substantive clean-up edits needed to the Design Standards.

The Fortuna City Council held a public hearing on August 21, 2023 to consider the draft Multifamily Design Standards. At this hearing, the Council received input from the public and asked staff to consider the comments received and make any changes deemed appropriate by staff. A copy of the design standards with the changes shown is attached.

Additionally, staff notified members of the original stakeholder group that was convened to provide feedback on the standards. The stakeholder group was emailed the draft design standards and was notified that the Council would be considering adoption of the multifamily design standards on 9/5/2023.

DRAFT MULTIFAMILY DESIGN STANDARDS:

The Multifamily Design Standards contain objective standards for the design of multifamily and mixed-use residential development. The goal of these standards is to clearly identify City requirements for well-designed projects in light of state laws that a) require by-right approval of certain qualifying projects, and b) limit a city's ability to deny or modify a proposed multifamily project consistent with objective standards.

Section 1 of the standards provides an introduction and overview. Section 2 contains standards for projects in all locations in Fortuna. These standards address the following topics:

- Circulation and Streetscape
- Parking and Vehicle Access
- Building Placement, Orientation, and Entries
- Building Massing and Open Space
- Facade and Roof Design
- Other Site Features

There are two types of Section 2 standards: baseline standards and credit standards. Baseline standards are mandatory for all projects. Project must comply with four of eight available credit standards. Each project can choose which standards to use to meet the credit standard requirement.

Some of the more noteworthy baseline standards include the following:

- Minimum 6-foot sidewalk width abutting a development parcel (Standard A.1).
- Surface parking prohibited between a primary building and front or street side lot line (Standard B.1).
- Primary building entries that must face the street (Standard C.1)
- Required variation in roof forms (Standard E.2)

An intent statement precedes the standards for each topic. Through the Design Review process, the Planning Commission may approve a deviation to a standard upon finding that the project incorporates an alternative method to achieve the intent statement.

Section 3 contains standards for two defined geographic "character areas:" 1) Single-family Neighborhood and 2) Town Center. The single-family neighborhood character area applies to areas that allow multifamily housing but where the majority of existing homes are detached single-family or have a single-family character. The town center character area applies to properties zoned Retail Commercial (RC) in Fortuna's Downtown/Main Street area. Projects in a defined character area must comply with the applicable Section 3 standards in addition to the design standards for all areas in Section 2.

The Multifamily Design Standards codify design requirements that the City historically has applied through the Design Review process. Currently, all development in the commercial zoning districts and residential multifamily projects require Design Review. To approve Design Review, the Planning Commission must make a series of findings, including that the proposed project avoids "ugly, inharmonious, or monotonous design." City staff and the Planning Commission often work with

applicants to revise project designs so that Design Review findings can be made. The Multifamily Design Standards increase certainty for applicants as to what the City will require. Codifying objective design standards streamlines the approval process, reduces applicant cost, and ensures quality design. Objective design standards also protect the City given State laws that require by-right approvals and limit the City's ability to require changes to projects based on subjective requirements.

DESIGN REVIEW:

The Multifamily Design Standards approach shared with the City Council on December 7, 2020 recommended eliminating Design Review and allowing by-right all multifamily and mixed-use development that complies with new objective standards. The Planning Commission confirmed that this remains the desired approach when recommending City Council adoption of the Design Standards. Staff recommends this approach to facilitate housing production, reduce development costs, and increase certainty for applicants and the community. Applicants that wish to deviate from standards may do so through the Design Review process. An alternative approach is to continue requiring Design Review for all projects, including those that comply with all design standards.

If the City Council adopts the Design Standards as recommended by staff, staff will prepare Zoning Code amendments with this change for the City Council to consider at a future public hearing.

ENVIRONMENTAL REVIEW:

State CEQA Guidelines Section 15061(b)(3) provides that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. There is no possibility that the Multifamily Design Standards will have a significant effect on the environment, and all non-ministerial projects approved pursuant to the objective design standards shall be subject to CEQA review.

FISCAL IMPACT:

No fiscal impact will result as a result of adopting the Design Standards.

RECOMMENDED COUNCIL ACTION:

1. Receive staff presentation and review Council questions with staff.
2. Open Public Comment.
3. Close Public Comment; voice vote.
4. Motion to Adopt *Resolution 2023-26*, and read by title only. Roll call vote.

ATTACHMENTS:

1. *Resolution 2021-26*: A Resolution of the City of Fortuna City Council to adopt the Multifamily Design Standards
2. Multifamily Design Standards following the public hearing that took place August 21, 2023 with changes shown.