



# CITY OF WHEATLAND

## CITY COUNCIL MEETING STAFF REPORT

October 8, 2019

**SUBJECT:** The City of Wheatland staff requests City Council receive a presentation from staff regarding an update on the Wheatland 2013-2021 Housing Element Update.

**PREPARED BY:** Tim Raney, Community Development Director

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### **Recommendation**

The City of Wheatland staff is providing City Council with a presentation regarding an update on the Wheatland 2013-2021 Housing Element Update.

### **Discussion and Background**

In 2014, The City of Wheatland received a grant from the Sacramento Area Council of Governments (SACOG) to conduct background research and public outreach in preparation for the City's Housing Element Update. City staff prepared the draft City of Wheatland 2013-2021 Housing Element Update and the associated Initial Study/Mitigated Negative Declaration (IS/MND) for the project.

On June 27, 2017, the Wheatland City Council adopted the City of Wheatland 2013-2021 Housing Element Update IS/MND and approved the City of Wheatland 2013-2021 Housing Element Update.

The adopted Housing Element Update included implementation programs that require future approval from City Council including, but not limited to, Zoning Code Amendments to the existing code to allow a maximum dwelling unit per acre increase from 18 to 24 in the Multi-Family Residential Zoning District (R-3) and a General Plan Amendment to modify the High-Density Residential (HDR) Land Use Designation to allow 8.1 to 24 dwelling units per acre.

City staff submitted the adopted Housing Element Update to the California Department of Housing Community Development (HCD) for review and certification, and on December 19, 2017, the City of Wheatland received a comment letter from HCD stating the following:

*The revised draft housing element meets the statutory requirements described in the Department's September 15, 2017 review. However, the housing element cannot be found in compliance with State housing law until the City demonstrates adequate sites needed to accommodate the 343-unit shortfall of the sites needed to accommodate the Regional Housing Need Allocation for lower income households during the 4<sup>th</sup> planning period.*

HCD determined that the available land within the Johnson Rancho and Hop Farm Annexation Area does not meet the State's requirements to accommodate the Regional Housing Need Allocation for lower income households during the previous planning period.

Therefore, after coordinating with HCD and discussing potential alternatives to receive certification, city staff has prepared the attached Detailed Sites Analysis for a Mixed-Use Overlay Zone within the Wheatland Central Business District to provide additional sites for the unaccommodated need from the previous planning period (see Attachment 1).

The attached Detailed Sites Analysis shows a site-by-site analysis that was conducted to identify the most suitable sites for residential development. The Study Area used for this analysis consists of an approximately 21.6-acre area consisting of the Wheatland Downtown Area or Central Business District. The Wheatland Downtown area was identified as the Study Area for this analysis due to the underutilized land and non-conforming uses in the area. The Study Area predominantly consists of Retail Commercial (C-2), Highway Commercial (C-3), and Single-Family Residential (R-1) zoned properties.

Staff is proposing to create a Mixed-Use Overlay District for the Study Area that would allow and encourage future compact, pedestrian-oriented housing and mixed-use development. The Mixed-Use Overlay District would consist of a 20-30 dwelling units per acre with ground-floor retail.

Staff also proposes to amend the currently adopted Housing Element to include the following additional implementation program:

- 29) *Within one year after HCD certification of the Housing Element, the City shall amend its Zoning Ordinance to create a downtown mixed-use overlay district, which would permit mixed-use development consistent with the supplemental Detailed Sites Analysis. This amendment shall provide a mixed-use overlay district permitting 20-30 dwelling units per acre with ground-floor retail, subject to review and approval from the Wheatland City Council.*

<i>Responsibility:</i>	<i>Planning Commission/City Council</i>
<i>Timeframe:</i>	<i>November 2019</i>
<i>Quantified Objective:</i>	<i>Estimated to contribute to approximately 380 affordable housing units constructed in the planning period.</i>

Adopting the proposed Downtown Mixed-Use Overlay District would require a zoning amendment and would be presented to the Wheatland City Council for review and approval at a future date.

It should be noted that HCD has recently sent an additional letter to the City of Wheatland documenting the current work, progress, and coordination being conducted by the City and HCD to receive Housing Element certification (see Attachment 2).

### **Fiscal Impact**

The project would not affect the City's General Fund. The City receiving a certified Housing Element from HCD would provide additional grant funding opportunities for the City.

**Attachments**

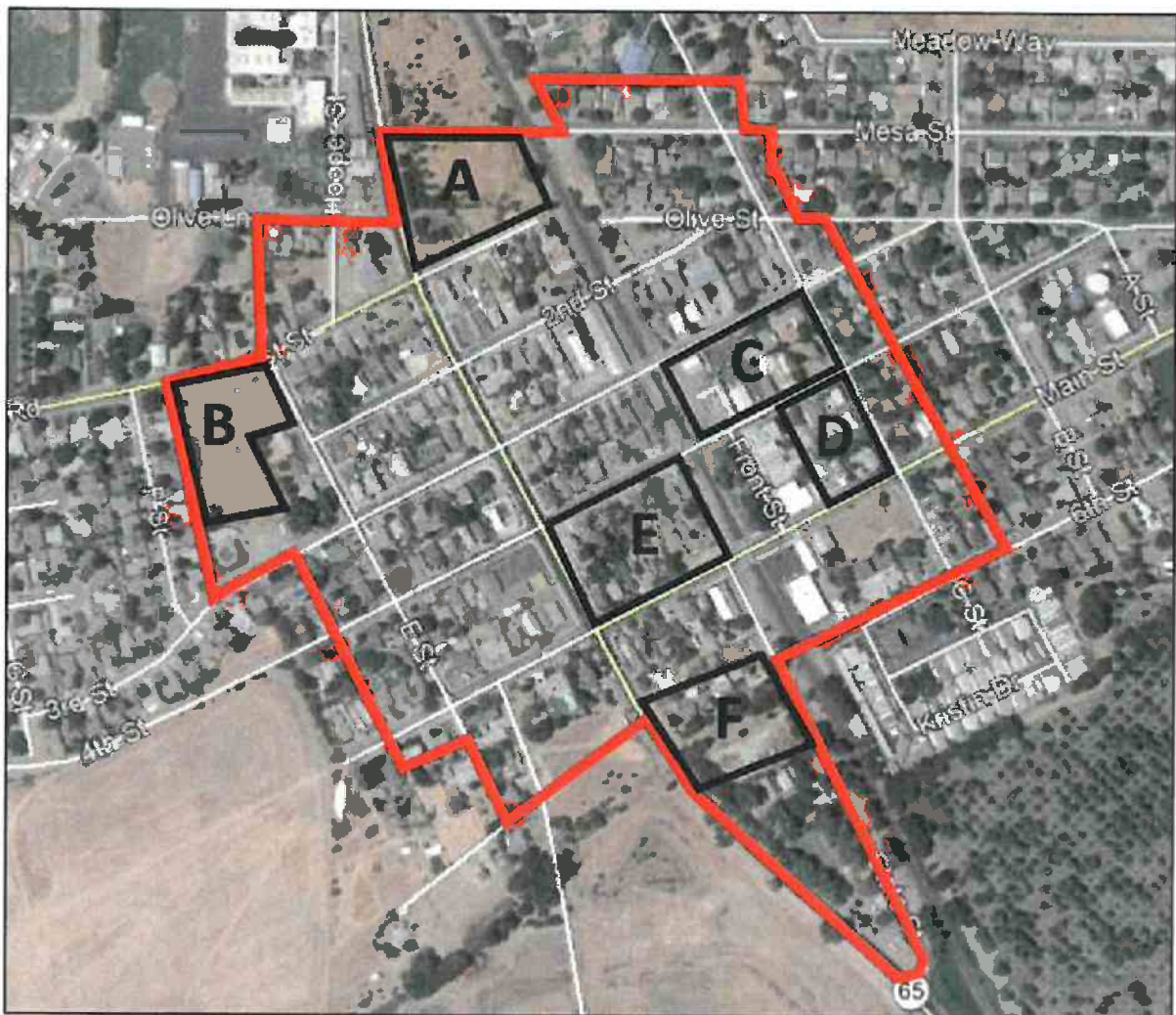
1. DRAFT Downtown Mixed-Use Overlay Zone - Detailed Sites Analysis
2. HCD Letter dated September 13, 2019

## CITY OF WHEATLAND – DOWNTOWN MIXED-USE OVERLAY ZONE DETAILED SITES ANALYSIS

To show the potential for infill development to accommodate the remaining RHNA of 351-units during Wheatland's 5<sup>th</sup> Cycle (2013-2021), a site-by-site analysis was conducted to identify the most suitable sites for residential development. It should be noted that of the 351 remaining units, a 343-unit shortfall of sites exists to meet the RHNA for lower income households during Wheatland's 4<sup>th</sup> Cycle (2006-2013).

The Study Area used for this sites analysis consists of an approximately 21.6-acre area consisting of the Wheatland Downtown Area or Central Business District. The Wheatland Downtown area was identified as the Study Area for this analysis due to the significant amount of underutilized land and non-conforming uses in the area. The Study Area predominantly consists of Retail Commercial (C-2), Highway Commercial (C-3), and Single-Family Residential (R-1) zoned properties. The Study Area consists of a grid street pattern with State Route 65 (D Street) being the primary north-south corridor. The existing Union Pacific Railroad runs north-south parallel to State Route 65 (D Street) with east-west at-grade crossings at Second Street, Third Street, Fourth Street, and Main Street.

### DOWNTOWN STUDY AREA



The City of Wheatland proposes to create a Mixed-Use Overlay District for the Study Area that would allow and encourage compact, pedestrian-oriented housing and mixed-use development. The Mixed-Use Overlay District consists of a 20-30 dwelling units per acre density with ground-floor retail and up to a total of three story, high-density residential development. It should be noted that the detailed sites analysis applies a reasonable buildout density assumption of 26 dwelling units per acre for the total buildout potential.

The following section provides detailed information on the underutilized sites identified in the Wheatland Downtown Study Area defined as Opportunity Sites. These Opportunity Sites were identified as being most suitable for redevelopment based on the existing conditions-to-capacity potential and condition and maintenance of the existing buildings and uses.

### MIXED-USE OVERLAY DISTRICT OPPORTUNITY SITES

City of Wheatland – Downtown Mixed-Use Overlay District Opportunity Sites							
Area	General Plan	Zoning	Maximum Residential Density	Acres	Parcels	Potential Housing Units	Affordability Level
Site A	Commercial	C-3	30 du/ac	2.5	2	75	Lower
Site B	Low Density	R-1	30 du/ac	2.25	1	67	Lower
Site C	Commercial	C-2	30 du/ac	2.04	9	61	Lower
Site D	Commercial	C-2	30 du/ac	1.17	5	35	Lower
Site E	Commercial	R-1/C-3	30 du/ac	2.59	13	77	Lower
Site F	Commercial	C-3	30 du/ac	2.19	3	65	Lower
<b>Total</b>				<b>12.74</b>	<b>33</b>	<b>380</b>	

*It should be noted that each opportunity site is intended to be redeveloped as a whole rather than by each individual parcel.*

#### Opportunity Site A

Site A includes two vacant Highway Commercial (C-3) zoned properties totaling approximately 2.5 acres. Applying the proposed Downtown Mixed-Use Overlay District to this area would provide a potential buildout opportunity of 75 multi-family units with ground floor retail. This site is located adjacent to D Street (DR 65), the main commercial corridor in the City and two city blocks (approximately 1,000 feet) from the City’s existing Community Building and City Hall. This site contains one existing single-family residence and is surrounded by existing development; therefore, existing infrastructure currently exists to serve the site for future mixed-use redevelopment.

#### Aerial View



D Street (SR 65)



First Street



Opportunity Site A Parcel				
APN	Acres	General Plan	Zoning	Existing Use
015-281-001-000	0.37	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
015-273-001-000	1.68	Commercial (C)	Highway Commercial (C-3)	Vacant
<b>Total Acres</b>	<b>2.05</b>	<b>Reasonable Buildout Unit Total</b>		<b>65</b>

**Opportunity Site B**

Site B includes one vacant Single-Family Residential (R-1) zoned property totaling approximately 2.2 acres. Applying the proposed Downtown Mixed-Use Overlay District to this area would provide a potential buildout opportunity of 66 multi-family units with ground floor retail. This site is located at the corner of First Street and E Street, and is two city blocks (approximately 750 feet) from the Wheatland Union High School and one city block (approximately 450 feet) from the existing commercial properties on D Street (SR 65). This vacant site is surrounded by existing development; therefore, existing infrastructure currently exists to serve the site for future mixed-use redevelopment.

Aerial View



First Street and E Street



First Street and F Street



Opportunity Site B Parcel				
APN	Acres	General Plan	Zoning	Existing Use
015-350-012-000	2.25	Low Density Residential (LDR)	Single-Family Residential (R-1)	Vacant
<b>Total Acres</b>	<b>2.25</b>		<b>Reasonable Buildout Unit Total</b>	<b>58</b>

**Opportunity Site C**

Site C includes nine under-utilized Retail Commercial (C-2) zoned properties totaling approximately 2.00 acres. Applying the proposed Downtown Mixed-Use Overlay District to this area would provide a potential buildout opportunity of 60 multi-family units with ground floor retail. This site is located adjacent to the Union Pacific Railroad and along Front Street, one of the City's main neighborhood serving commercial areas, and one city block (approximately 500 feet) from existing commercial properties on D Street (SR 65). This site contains existing single-family residences and commercial buildings and is surrounded by existing development; therefore, existing infrastructure currently exists to serve the site for future mixed-use redevelopment.

Aerial View



Third Street and UPRR



Third Street and C Street



Fourth Street and UPRR



Fourth Street and C Street



<b>Opportunity Site C Parcel</b>				
<b>APN</b>	<b>Acres</b>	<b>General Plan</b>	<b>Zoning</b>	<b>Existing Use</b>
015-243-006-000	0.43	Commercial (C)	Retail Commercial (C-2)	Commercial
015-243-007-000	0.10	Commercial (C)	Retail Commercial (C-2)	Commercial
015-243-019-000	0.46	Commercial (C)	Retail Commercial (C-2)	Commercial
015-243-017-000	0.13	Commercial (C)	Retail Commercial (C-2)	Single-Family Residence
015-243-040-000	0.13	Commercial (C)	Retail Commercial (C-2)	Commercial
015-243-016-000	0.11	Commercial (C)	Retail Commercial (C-2)	Single-Family Residence
015-243-041-000	0.14	Commercial (C)	Retail Commercial (C-2)	Commercial
015-243-010-000	0.27	Commercial (C)	Retail Commercial (C-2)	Single-Family Residence
015-243-011-000	0.27	Commercial (C)	Retail Commercial (C-2)	Single-Family Residence
<b>Total Acres</b>	<b>2.04</b>	<b>Reasonable Buildout Unit Total</b>		<b>53</b>

**Opportunity Site D**

Site D includes five under-utilized Retail Commercial (C-2) zoned properties totaling approximately 1.80 acres. Applying the proposed Downtown Mixed-Use Overlay District to this area would provide a potential buildout opportunity of 54 multi-family units with ground floor retail. This site is located to the rear of Front Street commercial properties and two city blocks (approximately 700 feet) from existing commercial properties on D Street (SR 65). This site contains existing single-family residences and existing commercial buildings and is surrounded by existing development; therefore, existing infrastructure currently exists to serve the site for future mixed-use redevelopment.

Aerial View





Fourth Street



Fourth Street and C Street



Main Street



Main Street and C Street



Opportunity Site D Parcel				
APN	Acres	General Plan	Zoning	Existing Use
015-250-002-000	0.30	Commercial (C)	Retail Commercial (C-2)	Commercial
015-250-003-000	0.29	Commercial (C)	Retail Commercial (C-2)	Commercial
015-250-061-000	0.14	Commercial (C)	Retail Commercial (C-2)	Single-Family Residence
015-250-062-000	0.10	Commercial (C)	Retail Commercial (C-2)	Commercial
015-250-063-000	0.34	Commercial (C)	Retail Commercial (C-2)	Single-Family Residence
<b>Total Acres</b>	<b>1.17</b>	<b>Reasonable Buildout Unit Total</b>		<b>30</b>

### **Opportunity Site E**

Site E includes 13 under-utilized properties consisting of two Highway Commercial (C-3) and nine Single-Family Residential (R-1) zoned properties totaling approximately 2.72 acres. Applying the proposed Downtown Mixed-Use Overlay District to this area would provide a potential buildout opportunity of 81 multi-family units with ground floor retail. This site is located adjacent to D Street (SR 65), the main commercial corridor in the City, the Union Pacific Railroad and Font Street Park, and one city block (approximately 150 feet) from the existing commercial properties on Front Street. This site contains existing single-family residences and commercial buildings and is surrounded by existing development; therefore, existing infrastructure currently exists to serve the site for future mixed-use redevelopment.

Aerial View



Fourth Street and D Street (SR 65)



Fourth Street and UPRR



Main Street and D Street (SR 65)



Main Street and UPRR



Opportunity Site E Parcel				
APN	Acres	General Plan	Zoning	Existing Use
015-291-008-000	0.16	Commercial (C)	Highway Commercial (C-3)	Commercial
015-291-007-000	0.18	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
015-291-015-000	0.13	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
015-291-006-000	0.15	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
015-291-014-000	0.16	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
015-291-005-000	0.18	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
015-291-010-000	0.17	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
015-291-004-000	0.37	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
015-291-011-000	0.22	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
015-291-018-000	0.22	Commercial (C)	Single-Family Residential (R-1)	Vacant
015-291-017-000	0.16	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
015-291-002-000	0.34	Commercial (C)	Single-Family Residential (R-1)	Commercial
015-291-016-000	0.15	Commercial (C)	Single-Family Residential (R-1)	Single-Family Residence
<b>Total Acres</b>	<b>2.59</b>	<b>Reasonable Buildout Unit Total</b>		<b>67</b>

**Opportunity Site F**

Site F includes one under-utilized Highway Commercial (C-3) zoned property totaling approximately 2.6 acres. Applying the proposed Downtown Mixed-Use Overlay District to this area would provide a potential buildout opportunity of 78 multi-family units with ground floor retail. This site is located adjacent to D Street (SR 65), the main commercial corridor in the City and one city block (approximately 450 feet) from the existing commercial properties on Front Street. This site contains an existing single-family residence and is adjacent to existing development; therefore, existing infrastructure currently exists to serve the site for future mixed-use redevelopment.

Aerial View



D Street (SR 65)



State Street



<b>Opportunity Site E Parcel</b>				
<b>APN</b>	<b>Acres</b>	<b>General Plan</b>	<b>Zoning</b>	<b>Existing Use</b>
015-490-015-000	0.41	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
015-490-016-000	0.72	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
015-490-017-000	1.06	Commercial (C)	Highway Commercial (C-3)	Single-Family Residence
<b>Total Acres</b>	<b>2.19</b>	<b>Reasonable Buildout Unit Total</b>		<b>57</b>

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

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September 13, 2019

Jim Goodwin, City Manager  
City of Wheatland  
111 C Street  
Wheatland, CA 95692

Dear Jim Goodwin:

**RE: Review Wheatland's 5<sup>th</sup> Cycle (2013-2021) Adopted Housing Element**

Thank you for submitting the City of Wheatland's Housing Element update adopted on July 11, 2017 and received for review on June 14, 2019. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted element is substantially the same as the prior draft element. While the element addresses almost all statutory requirements, it cannot be found in full compliance until addressing the unaccommodated need from the prior planning period. Please see HCD's December 19, 2017 review for additional information.

Government Code section 65588, subdivision (e)(4) requires a jurisdiction that failed to adopt its housing element within 120 calendar days from the statutory due date to revise its element every four years (due October 2017). The City of Wheatland has not adopted a four-year update and as a result, prior to obtaining housing element compliance, Wheatland must adopt a compliant four-year update. The revisions the city is currently preparing may be part of this 4-year update. HCD welcomes the opportunity to continue working with the city in meeting these requirements.

Wheatland has made significant progress in meeting the remaining requirements of housing element law. HCD recognizes these diligent efforts and appreciates the opportunity to continue working toward full compliance with housing element law. If you have any questions or need technical assistance, please contact Paul McDougall, of our staff, at (916) 263-7420.

Sincerely,

A handwritten signature in black ink, appearing to read "Zachary Olmstead".

Zachary Olmstead  
Deputy Director