

**JULY 13, 2021, MINUTES
REGULAR WHEATLAND CITY COUNCIL MEETING
WHEATLAND COMMUNITY CENTER
101 C STREET, WHEATLAND, CA
6:00 – 7:40 P.M.**

COUNCIL MEMBERS PRESENT: L. McIntosh J. Pendergraph, P. Shelton, R. West
ABSENT: R. Coe

OTHERS PRESENT: J. Goodwin, City Manager
T. Raney, Community Development Director
K. Valente, Senior Planner
S. Mahoney, Finance Director
D. Schilling, City Engineer
Jeni Buckman, City Attorney
D. Sylvester, Police Chief
L. Thomason, City Clerk

PLEDGE OF ALLEGIANCE: Council Member J. Pendergraph led the pledge of allegiance.

PUBLIC COMMENT: None.

CONSENT CALENDAR

Motion was made by Council Member J. Pendergraph, Seconded by Mayor R. West to **approve minutes from the regular City Council meeting on June 22, 2021; Resolution No. 27-21 Establishing FY 2021-2022 Pay Range and the Negotiated Memorandum of Understanding Updates for the Wheatland General Employees Association, Police Officers Association and Sergeants Association; Resolution No. 29-21 Authorizing the City Manager to Sign Certificates of Acceptance For Any Easements Necessary for the Ownership, Operation and Maintenance of City Infrastructure Constructed with the Caliterra Ranch Subdivision.** to Vote called – AYES; All. Motioned carried.

PUBLIC HEARING

1) City Manager Jim Goodwin presented the staff report for the request from Ryan Epperson for a reduction in Development Impact Fees associated construction at 603 Fourth Street in Wheatland. Ryan Epperson is the owner of Heaven’s Gate Pet Memorial Center located at 603 4th Street in Wheatland. Mr. Epperson is in the process of completing a 1638 sq. ft. expansion to his building. Due to a staff error, Mr. Epperson was issued his building permit without payment of Development Impact Fees. When the error was identified, Mr. Epperson was informed of the fees, as well as fees due to Wheatland Elementary District, Wheatland High School District and South Yuba Transportation Improvement Authority (SYTIA). Mr. Epperson then submitted his request for consideration of reduction in the fees, citing the specific fees he did not believe were justified based on the impacts of the project. He also corrected the square footage of the project as the original fee quote included the portion of the building that is being demolished as part of the square footage. Wheatland Municipal Code Section 3.26.070 allows the City Council to waive fees in such circumstances. Both the City Engineer and the Community Development Director reviewed the request and concur with Mr. Epperson’s assessment of impact.

PUBLIC COMMENT – NONE.

Motion was made by Council Member J. Pendergraph, Seconded by Council Member P. Shelton to **adopt Resolution No. 26-21 Approving the Fee Reduction Request from Ryan Epperson Concerning the Heaven’s Gate Pet Memorial Center Expansion Project.** Vote called – AYES: All. Motion carried.

2) Finance Director Susan Mahoney presented the staff report on the proposed assessments for the Wheatland-Premier Grove Assessment District for the fiscal year 2021-2022 and, after considering any public input, approve the Engineer’s Report prepared by SCI Consulting Group and order the levy of assessments for the 2021-2022 fiscal year. Each year a budget is established to determine the cost of providing services and to determine the proportional amount to assess benefiting parcels within the District. This is a three-step process. Step 1 was approved by Council at the April 13, 2021, meeting (Resolution 14-21). Step 2 was approved by Council at the June 8, 2021, meeting (Resolution 18-21). The third and final step is to hold a public hearing to give interested persons an opportunity to protest the annual report. If the Council determines that public interest, convenience, and necessity require the improvements then the Council's final action is to approve the Engineer's Report and the assessments therein by adopting Resolution 25-21. There have been no changes made to the Engineer's Report as adopted by Council on June 8, 2021.

PUBLIC COMMENT – NONE.

Motion was made by Council Member J. Pendergraph, Seconded by Council Member L. McIntosh to **adopt Resolution No. 25-21 Confirming Engineer’s Report, Diagram, Annual Assessment, and Directing Auditor of Yuba County to Levy and Collect Assessments For Fiscal Year 2021-22 in the Wheatland-Premier Grove Landscaping and Lighting District.** Vote called – AYES: All. Motion carried.

3) Community Development Director Tim Raney and Senior Planner Kevin Valente presented the staff report for consideration of the Ordinance adding new Chapter 18.77 to and amending Section 18.51.040 of the Wheatland Municipal Code. In 2004, the State of California adopted Senate Bill (SB) 1818 which amended Section 65915 of the California Government Code (GC), related to housing. GC 65915 establishes guidelines for the State's residential density bonus incentive program. A density bonus is an incentive-based tool that permits developers to increase the maximum allowable development on a property in exchange for a commitment to include a certain number of below-market units in the development. On June 18, 2020, the City of Wheatland received certification from the California Department of Housing and Community Development for the adopted City of Wheatland's 5th Cycle (2013- 2021) 4-Year Housing Element Update. The adopted Housing Element Update identified sites for future housing development and evaluated the adequacy of these sites in fulfilling the City's share of the Regional Housing Need Allocation (RHNA). In addition, the Housing Element Update included 31 planning programs to create opportunities that do not constrain development of affordable housing and ensure compliance with State law. The adopted City of Wheatland Housing Element Update included Program #1, which states: *Within one year after HCD certification of the Housing Element, the City shall amend its Zoning Ordinance to provide for affordable housing density bonuses consistent with State law.* As a result, staff prepared the Density Bonus Ordinance adding Chapter 18.77 to the Wheatland Municipal Code to implement Program #1 of the City's Housing Element and create consistency with State law regarding the California Density Bonus Incentive Program. The City Attorney has reviewed the proposed ordinance and provided comments, which have been incorporated. The proposed Ordinance amendment is exempt from environmental review pursuant to the California Environmental Quality Act

(CEQA) Guidelines Section 15305, Minor Alterations in Land Use Limitations. In addition to low-income housing, senior housing can also qualify for a density bonus. Under the State's residential density bonus incentive program, developers can also request for waivers and concessions based upon the percentage of affordable housing units. Waivers and concessions can be a reduction in setbacks and parking, among other items. Staff has included Section 18.77.070 in the draft Ordinance, which would require the developer/property owner receiving a density bonus, concessions or incentives to enter into an affordable housing agreement with the City prior to the issuance of construction permits. This agreement would need to be considered by the Wheatland Planning Commission and City Council. The proposed agreement shall specify mechanisms or procedures to assure the continued affordability and availability of the specified number of dwelling units to very low-, lower-, and moderate-income households, and/or qualifying seniors, and/or qualifying transitional foster youth, disabled veterans, or homeless persons. On June 15, 2021, the Wheatland Planning Commission voted to recommend City Council adoption of the proposed Ordinance relating to Density Bonuses.

Mayor R. West commented on senior housing and low income.

Council Member L. McIntosh commented on subsidized housing; City's authorization for lot sizes, state law regarding Density Bonuses and fees collected for additional buildings on lots.

PUBLIC COMMENT – NONE.

Motion was made by Council Member J. Pendergraph, Seconded by Council Member L. McIntosh to **introduce Ordinance No. 480 of the City of Wheatland Adding New Chapter 18.77 to and Amending Section 18.51.040 of the Wheatland Municipal Code and waive the full reading of the ordinance.** Vote called – AYES: All. Motion carried.

4) Community Development Director Tim Raney and Senior Planner Kevin Valente presented the staff report for consideration of the Ordinance adding new Chapter 18.78 to, amending Sections 18.06.010, 18.60.010 and 18.63.040, and repealing Section 18.60.100 and Subdivision (c) of Section 18.60.350 of the Wheatland Municipal Code relating to accessory dwelling units. The State of California identified that allowing accessory dwelling units (ADUs) in zones that allow residential uses can provide additional rental housing and is an essential component in addressing California's housing needs. Recently, the State has revised Section 65852.2 of the California Government Code (GC) related to ADUs, which became effective on January 1, 2021, to further accommodate the development of ADUs and junior accessory dwelling units (JADUs). ADUs can provide a variety of housing needs and affordable housing options for family members, friends, students, the elderly, in-home health care providers, people with disabilities, and others. In addition, ADUs can offer an opportunity to maximize and integrate housing choices within existing neighborhoods. On June 18, 2020, the City of Wheatland received certification from the California Department of Housing and Community Development for the adopted City of Wheatland's 5th Cycle (2013-2021) 4-Year Housing Element Update. The adopted Housing Element Update identified sites for future housing development and evaluated the adequacy of these sites in fulfilling the City's share of the Regional Housing Need Allocation (RHNA). In addition, the Housing Element Update included 31 planning programs to create opportunities that do not constrain development of affordable housing and ensure compliance with State law. The adopted City of Wheatland Housing Element Update included Program #5, which states, 'Within one year after HCD certification of the Housing Element, the City shall amend its Zoning Ordinance to permit accessory dwelling units and revise the City's definition of 'family'. The new accessory dwelling unit ordinance and 'family' definition shall be consistent with State law. To the satisfaction of the Wheatland City Council, the definition of family shall be revised to "One or more persons living together in a dwelling unit.' As a result, staff has prepared the ADU Ordinance adding Chapter 18.78 to the Wheatland

Municipal Code to implement Program #5 of the City's Housing Element and create consistency with State law regarding the California Accessory Dwelling Unit Incentive Program. It should be noted that the City Attorney has reviewed the proposed ordinance and provided comments, which have been incorporated. The proposed Ordinance amendment is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15305, Minor Alterations in Land Use Limitations. An ADU with complete independent living facilities for one or more persons and has a few variations: Detached: The unit is separated from the primary structure; Attached: The unit is attached to the primary structure; Converted Existing Space: Space (e.g., master bedroom, attached garage, storage area, or similar use, or an accessory structure) on the lot of the primary residence that is converted into an independent living unit; JADU is a specific type of conversion of existing space that is contained entirely within an existing or proposed single-family residence. ADUs tend to be significantly less expensive to build and offer benefits that address common development barriers such as affordability and environmental quality. Because ADUs must be built on lots with existing or proposed housing, they do not require paying for new land, dedicated parking or other costly infrastructure required to build a new single-family home. Because they are contained inside existing single-family homes, JADUs require relatively modest renovations and are much more affordable to complete. ADUs are often built with cost-effective one or two-story wood frames, which are also cheaper than other new homes. Additionally, prefabricated ADUs can be directly purchased and save much of the time and money that comes with new construction. ADUs can provide as much living space as apartments and condominiums and work well for couples, small families, friends, young people, and seniors. GC Section 65852.2 does allow for some minor discretion for the local ADU ordinances. For example, the local agency can identify an off-street vehicle parking requirement for ADUs. On April 20, 2021, the Wheatland Planning Commission received a presentation from staff and discussed the proposed draft ADU Ordinance. Staff and the Planning Commission discussed the components of the proposed ADU Ordinance: State law requirements; City of Wheatland Housing Element; Purpose and intent of ADUs. Benefits of ADUs; Manufactured and Mobile homes; Maximum floor space for an ADU; ADU setbacks. ADU parking requirements; Junior ADU requirements; and Accessory building requirements and setbacks. After the discussion, the Wheatland Planning Commission continued the item for further discussion at a later date. Staff revised the attached ADU Ordinance reflecting the discussion and recommendations from the Planning Commission. These revisions included clarifying manufactured homes meeting the requirements for an ADU, but not mobile homes and parking requirements. On June 15, 2021, staff presented the draft ADU Ordinance to the Wheatland Planning Commission, and after additional discussions the Wheatland Planning Commission voted to recommend City Council adoption of the proposed ADU Ordinance.

Mayor R. West commented on utility connections; JADU building code requirements for a remodel; documentation required from the property owner that an ADU/JADU is being rented out and maximum lot coverage.

Council Member L. McIntosh commented on the difference between an ADU and a Granny Flat; assessment of fees; structures on permanent foundations; Air B & B; determination factors for multi-family units; water rates and sewer capacity; protection for community; City review of utility rates and what happens if City does not approve the ordinance; the City's ability to regulate with new housing developments; fees for ADU's; parking requirements with and ADU; addresses; fence setbacks.

Council Member J. Pendergraph commented on setbacks.

Council Member P. Shelton commented on the Community Development Department staff and Planning Commission roles; discretion of decision for an item related to ADU's to go to staff or the Planning Commission; parking; 1200 sq. ft maximum determined by the State or City ordinance; specs and distances between buildings.

PUBLIC COMMENT – NONE.

Motion was made by Council Member J. Pendergraph, Seconded by Council Member L. McIntosh to **introduce Ordinance No. 481 of the City of Wheatland Adding New Chapter 18.78 to, Amending Sections 18.06.010, 18.60.010, and 18.63.040, and Repealing Section 18.60.100 and Subdivision (C) of Section 18.60.350 of the Wheatland Municipal Code Relating to Accessory Dwelling Units.** Vote called – AYES: All. Motion carried.

REGULAR CALENDAR

****Item No. 1 was pulled from the meeting agenda.**

1) Police Chief Damiean Sylvester presented the staff report for the 2021 2nd quarter crime statistics report. The Police Department is required to report monthly Part 1 Crime stats to the Department of Justice. Through the 2nd quarter of 2021, part 1 crimes and property crimes are down from last year, but on pace to be right at the five-year average. Arrests are down from last year, but on pace to double the five-year average for yearly arrests.

Informational item only.

2) City Manager Jim Goodwin and City Engineer Dane Schilling presented the staff report for approving a reimbursement agreement with Olivehurst Public Utility District (OPUD) for costs incurred for design of Regional Wastewater Infrastructure and update on the Regional Sewer Design Project. On February 23, 2021, the City Council directed the City Manager, working with the Sewer Ad-hoc Committee, to negotiate a reimbursement agreement with OPUD regarding design costs for the regional wastewater project. At that time, staff informed the City Council that OPUD would seek an amendment to their design and environmental clearance funding agreement with Yuba Water Agency (YWA) for the additional design costs related to Wheatland's participation in the regional project. YWA approved those amendments to the OPUD contract. The Reimbursement Agreement is for Wheatland's share of the additional design costs that will be paid by OPUD. The agreement establishes the formula for determining the appropriate cost share for each jurisdiction. The agreement also includes the same "loan forgiveness" protections that are included in both the OPUD and Wheatland design funding contracts with YWA. The provision allows for potential forgiveness of the reimbursement agreement determines the calculation methodology for determining the actual reimbursement. Wheatland's share of design costs is estimated at \$780,000.

Council Member P. Shelton commented on Main Street in October and when the work can be done. Mayor R. West commented on pipe parallel to Highway 65 and 40 Mile Road.

Motion was made by Council Member J. Pendergraph, Seconded by Council Member L. McIntosh to **adopt Resolution No. 29-21 Approving an Agreement between the City of Wheatland and the Olivehurst Public Utility District for the Reimbursement of Costs in Connection with the OPUD Conveyance Design Project.** Vote called – AYES: All. Motion carried.

REPORTS

Mayor R. West reported on the Levy District Merge and the SYTIA meeting in August. Council Member J. Pendergraph reported on the upcoming National Night Out in Wheatland.

There being no further business, Mayor R. West adjourned the meeting at 7:40 p.m.

Minutes approved and adopted on this 27th day of July 2021.

Rick West, Mayor

Lisa J. Thomason, City Clerk

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