



**COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
PLANNING DEPARTMENT**
950 MAIDU AVENUE, SUITE 170, PO BOX 599002, NEVADA CITY,
CA 95959-7902 (530) 265-1222 <http://nevadacountyca.gov>

Trisha Tillotson
Community Development Agency Director

Brian Foss
Planning Director

**NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memorandum**

MEETING DATE: September 12, 2023

TO: Board of Supervisors

FROM: **Brian Foss, Planning Director**

SUBJECT: Public Hearing to consider the Meeting of Nevada County Planning Commission's June 22, 2023 (3-0) (2 absent) vote and recommendation to adopt a Resolution amending Nevada County General Plan Chapter 1: Land Use Element Policy 1.2.1.b, Policy 1.2.4.B, and Policy 1.7.2 Chapter II, and to adopt an Ordinance amending Chapter II and Chapter IV of the Nevada County Land Use and Development Code to reduce barriers to housing production (Countywide) (PLN23-0059;ORD23-1;GPT23-0001).

RECOMMENDATION:

The Planning Commission, on June 22, 2023, voted 3-0 (2 absent) to recommend that the Board of Supervisors take the following actions:

- I. Environmental Action: Find the project statutorily exempt pursuant to Sections 15274 and 15282(h), and categorically exempt pursuant to Section 15061(b)(3) the California Environmental Quality Act (CEQA) Guidelines.
- II. Project Action: Adopt the Resolution amending Chapter 1 of the Land Use Element of the General Plan (*Attachment 2*).
- III. Project Action: Introduce, waive further reading and adopt the attached Ordinance amending Chapter II of the Nevada County Land Use and Development Code and Chapter IV of the Nevada County Land Use and Development Code (*Attachment 1*).

FUNDING:

No budget amendments are required.

ATTACHMENTS:

1. Draft Ordinance amending Chapter II and Chapter IV of the Nevada County Land Use and Development Code (ORD23-1).
1A: Ordinance Exhibit A: Zoning Text Amendment.
 2. Draft Resolution amending Chapter 1. Land Use Element of the General Plan (GPA23-0001).
2A: Resolution Exhibit A: General Plan Text Amendment.
 3. Redline Version of Proposed Amendments
 4. Planning Commission Staff Report (Without Attachments)
 5. June 22, 2023 Draft Planning Commission Meeting Minutes
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PROJECT BACKGROUND:

On January 26, 2021, the Nevada County Board of Supervisors approved Resolution 21-018 to direct the Planning Department staff to apply for a Regional Early Action Planning (REAP) one-time grant funding to conduct planning activities that will focus on furthering Board Objectives to accelerate housing production.

In September 2021 the California Department of Housing and Community Development awarded Nevada County funding to support five projects including two projects to update the Nevada County Land Use and Development Code (LUDC) to reduce barriers to housing production and better position the County to achieve the Prohousing Designation administered by the California Department of Housing and Community Development (HCD). Planning Department Staff conducted community engagement and outreach with the goal of generating meaningful, inclusive community participation throughout the planning effort to remove barriers to housing development in unincorporated Nevada County. Through the engagement and outreach process, a number of areas were identified where the LUDC could be amended to accelerate housing production and comply with recent changes to state housing, planning, and development laws.

To implement the proposed changes to the LUDC, Planning Department staff determined that amendments to the Land Use Element of the Nevada County General Plan would be required in order to maintain consistency between the LUDC and the General Plan. The proposed Land Use and Development Code amendments and General Plan text amendments (‘proposed Amendments’) are intended to bring the LUDC and General Plan into compliance with recent changes to State law, better position the County to achieve HCD’s Prohousing Designation, and to continue to remove barriers to housing production while fostering a rural quality of life.

PROJECT DESCRIPTION:

State law and Nevada County General Plan Policy require the County to identify and reduce barriers to housing production. Over the course of the last few years, a series of new laws became effective in California including the Accessory Dwelling Unit Laws, Housing Crisis Act of 2019, Housing Accountability Act, California Employee Housing Act, Middle Class Housing Act of 2022, Housing Element Law, and updates to California Density Bonus Law, among others addressing the removal of regulatory barriers to facilitate the production of new housing.

The proposed Amendments build from recent state legislation and Nevada County Housing Element Policies which require Planning Department staff to evaluate density increases (HD-8.1.4) and to identify and remove constraints to housing development (RC-8.4.6) and were funded through a competitive grant award under the California Department of Housing and Community Development (HCD) Regional Early Action Planning (REAP) grant program. The proposed Amendments include a series of changes required to achieve statutory compliance, changes identified by community members and Planning Department Staff to remove barriers to housing production and better position the County for Prohousing Designation, technical changes to clarify the intent of the LUDC, and General Plan text amendments to maintain consistency between the LUDC and Nevada County General Plan.

ENVIRONMENTAL REVIEW:

The proposed Amendments have been determined to be exempt for environmental review pursuant to the California Environmental Quality Act (CEQA). The proposed Amendments The changes would not result in a physical change to the environment and would not allow any development or change in land use or zoning designations. The changes to the ordinance are not subject to CEQA pursuant to Sections 15274, 15282(h), and 15061(b)(3) because it is administrative in nature and would not have a significant effect on the environment. Any future housing development pursuant to the legislation will be subject to environmental review pursuant to CEQA.

PLANNING COMMISSION ACTION:

At the Meeting of June 26, 2023, the Planning Commission held a duly noticed public hearing to consider the proposed Amendments. The Planning Commission and public testimony presented a series of potential development scenarios to Planning Department staff to discuss the applicability of the proposed Amendments and the potential impacts to community character in established neighborhoods throughout the County. After taking public testimony and deliberating on the project, the Planning Commission requested Planning Department staff identify parcels that would be subject to Senate Bill (SB) 9 allowances for Urban Lot Splits and increased density and provide additional notification prior to the Board of Supervisors hearing, specifically to parcels in Urban Clusters as defined by the U.S. Census, Homeowners Associations and other groups representing established neighborhoods.

The Planning Commission, in considering the entire record before them, voted unanimously (3-0 (2 absent)) to recommend that the Board of Supervisors find the project statutorily exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines, adopt the Ordinance amending Chapter II of the Nevada County Land Use and Development Code and Chapter IV of the Nevada County Land Use and Development Code, and adopt the Resolution amending Chapter 1 of the Land Use Element of the General Plan to reduce barriers to housing production in Nevada County.

ADDITIONAL HEARING NOTIFICATION:

At the Meeting of May 26, 2022, the Planning Commission requested staff provide additional notification to parcels and community groups that would be affected by the proposed Amendments. Staff determined that there are approximately 9,670 individual parcels identified by Assessor Parcel Number that could potentially be eligible for the Urban Lot Split and density allowances provided for under SB 9 (Chapter 162, Statutes of 2021) and the proposed Amendments based solely on the parcel's geographic location within an Urban Cluster as defined by the U.S. Census, and within an R1 Zoning District (Figure 1). Additional parcel specific analysis would be required to determine whether the provisions under SB9 would apply to each parcel including adequate water and sewer provision, sensitive resources, and parcel size and topography, among other potentially limiting factors. Most of the identified parcels are located within Community Regions identified in the General Plan and consist of established neighborhoods of Lake Wildwood, Lake of the Pines, Alta Sierra, Union Hill, Cedar Ridge, Forest Knolls, Echo Ridge, Eden Ranch, Deer Creek Park, and other areas in the Sphere of Influence of the City of Grass Valley.

Nevada County staff determined that mailers to more than 9,000 unique parcel owners would be cost prohibitive, and instead provided email and mail hearing notification to all organizations and individuals with contact information for project notifications on file with the Planning Department. Planning Department staff also identified contact information for homeowners' associations and community groups nearby Urban Clusters that did not previously request project notifications from the Planning Department and included those groups on the hearing notification for this project. Planning Department staff, in coordination with the Clerk of the Board of Supervisors provided notification to more than 300 unique email or physical addresses.

In addition to mailed and emailed hearing notification, Planning Department staff conducted additional hearing notification consistent with other successful community engagement activities. In coordination with staff from other Agencies, Planning Department staff published notifications for the hearing in two local newspapers (The Union and the Sierra Sun), developed posts for dissemination across County social media channels and News Flash, and created a press release for countywide media distribution.

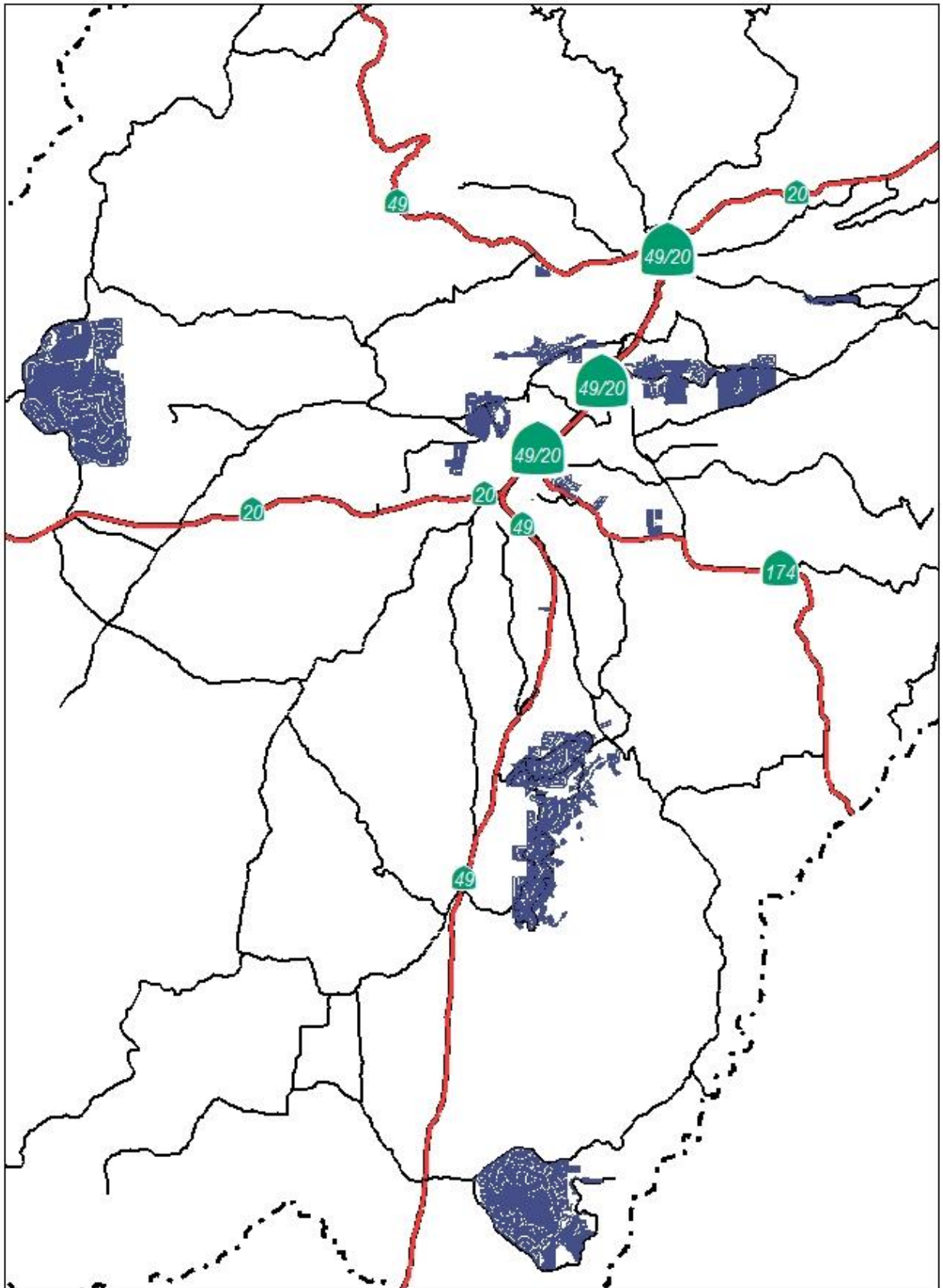


Figure 1: Potential SB9 Applicability in Nevada County (2023)

COMMENTS:

The Nevada County Planning Department received additional comments from the City of Grass Valley after the Planning Commission hearing. The Planning Department in coordination with the City of Grass Valley developed an additional change following the request by the City to clarify standards for development within Spheres of Influence. Please see the clarifying addition in Section L-II 1.2.F of the attached Resolution which reflects Nevada County General Plan Policies 1.8.4 and 1.8.7. The City is supportive of the attached change.

SUMMARY:

The proposed Housing Ordinance Amendments were prepared in support of the Nevada County Board of Supervisors' Housing Objective, Nevada County General Plan Housing Element Policy, Nevada County Board of Supervisors' Resolution 21-018, and HCD REAP grant award guidelines to remove barriers to housing production in unincorporated Nevada County. The proposed Amendments build from recent state legislation and Nevada County Housing Element Policies and Programs which require Planning Department staff to evaluate density increases (HD-8.1.2 and Program HD 8.1.3) and to identify and remove constraints to housing development (RC-8.4.6) and were funded through a competitive grant award under the California Department of Housing and Community Development (HCD) Regional Early Action Planning (REAP) grant program. The proposed Amendments include a series of changes required to achieve statutory compliance, changes identified by community members and Planning Department Staff to remove barriers to housing production and better position the County for Prohousing Designation, technical changes to clarify the intent of the LUDC, and General Plan text amendments to maintain consistency between the LUDC and Nevada County General Plan.

RECOMMENDATION: The Planning Commission has recommended that the Board of Supervisors take the following actions:

- I. Environmental Action: Find the project statutorily exempt pursuant to Sections 15274 and 15282(h), and categorically exempt pursuant to Section 15061(b)(3) the California Environmental Quality Act (CEQA) Guidelines.
- II. Project Action: Adopt the Resolution amending Chapter 1 of the Land Use Element of the General Plan (*Attachment 2*).
- III. Project Action: Introduce, waive further reading and adopt the attached Ordinance amending Chapter II of the Nevada County Land Use and Development Code and Chapter IV of the Nevada County Land Use and Development Code (*Attachment 1*).

Item Initiated by: Kyle Smith, Senior Planner

Approved by: Brian Foss, Planning Director