



## PLANNING COMMISSION SPECIAL MEETING AGENDA

Tuesday, July 30, 2024, 6:00 p.m.  
Hybrid City Council Chamber/Virtual Zoom Meeting  
215 East Branch Street, Arroyo Grande

Please click the link below to join the Zoom Meeting:

<https://us02web.zoom.us/j/86752345420>

Webinar ID: 867 5234 5420

Or by Telephone: 1-669-900-6833; 1-346-248-7799

*This Planning Commission meeting will be conducted by hybrid in-person/virtual format. Members of the public may participate and provide public comment on agenda items during the meeting in person at the location identified above, by joining the Zoom meeting, or by submitting written public comments to Andrew Perez, Planning Manager, at [aperez@arroyogrande.org](mailto:aperez@arroyogrande.org).*

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1. **CALL TO ORDER**

2. **ROLL CALL**

3. **FLAG SALUTE**

Vice Chair Roof

4. **AGENDA REVIEW**

The Commission may revise the order of agenda items depending on public interest and/or special presentations.

5. **COMMUNITY COMMENTS AND SUGGESTIONS**

This public comment period is an invitation to members of the community to present issues, thoughts, or suggestions on matters not scheduled on this agenda. Comments should be limited to those matters that are within the jurisdiction of the Planning Commission. Members of the public may provide public comment remotely by joining the Zoom meeting utilizing one of the methods provided below. Please use the "raise hand" feature to indicate your desire to provide public comment.

Click the link below to join the webinar:

• <https://us02web.zoom.us/j/86752345420>;

• Webinar ID: 867 5234 5420

• Or Telephone Attendee: 1-669-900-6833; 1-346-248-7799; 1-253-215-8782; Press \* 9 to "raise hand" for public comment

The Brown Act restricts the Commission from taking formal action on matters not published on the agenda. In response to your comments, the Chair or presiding official may:

• Direct City staff to assist or coordinate with you.

• A Commissioner may state a desire to meet with you.

• It may be the desire of the Commission to place your issue or matter on a future agenda.

Please adhere to the following procedures when addressing the Commission:

- Comments should be limited to 3 minutes or less.
- Your comments should be directed to the Commission as a whole and not directed to an individual Commissioner.
- Slanderous, profane or personal remarks against any Commissioner or member of the audience shall not be permitted.

## 6. WRITTEN COMMUNICATIONS

Correspondence or supplemental information for the Planning Commission received after Agenda preparation. In compliance with the Brown Act, the Commission will not take action on correspondence relating to items that are not listed on the Agenda, but may schedule such matters for discussion or hearing as part of future agenda consideration.

## 7. CONSENT AGENDA

### 7.a **Approval of Minutes** (HOLUB)

#### **Recommended Action:**

Approve the Minutes of the July 2, 2024 Planning Commission meeting.

## 8. PROJECTS

### 8.a **Consideration of Development Code Amendments Regarding State Density Bonus Law and Implementation of Assembly Bill 1397 and Finding That This Action Not a Project Under the California Environmental Quality Act Pursuant to State Guidelines Section 15061** (PEREZ)

#### **Recommended Action:**

1) Adopt a Resolution recommending that City Council approve the ordinance amendments; and

2) Determine that the ordinance amendments are exempt from review under the California Environmental Quality Act pursuant to Section 15061(b).

## 9. DISCUSSION ITEMS

None.

## 10. NOTICE OF ADMINISTRATIVE ITEMS SINCE JULY 2, 2024

**ITEM NO. 1: Viewshed Review 24-001; Second-story Addition, Including a Rooftop Deck, to an Existing Single-Family Residence; Location: 214 North Elm Street; Applicant: Matthew Petronella.**

After making the findings specified in Section 16.16.110 of the Municipal Code, the Community Development Director approved the above-referenced project for the construction of a second-story addition. The deadline to appeal this project is at 5:00 pm on August 7, 2024.

**ITEM NO. 2: Architectural Review 24-008; Façade Changes to an Existing Commercial Building; Location – 168 Station Way; Applicant – Marilyn Hansen; Representative – Peter Dancart, Dancart Architecture.**

After making the findings specified in Section 16.16.130 of the Municipal Code, the Community Development Director approved the above-referenced project for the construction of a new 600 square foot veranda, new metal siding to replace the existing siding, and the relocation of the trash enclosure. The deadline to appeal this project is at 5:00 pm on August 7, 2024.

## 11. COMMISSION COMMUNICATIONS

Correspondence/Comments as presented by the Planning Commission.

**12. STAFF COMMUNICATIONS**

Correspondence/Comments as presented by the Community Development Director.

**13. ADJOURNMENT**

All staff reports or other written documentation, including any supplemental material distributed to a majority of the Planning Commission within 72 hours of a regular meeting, relating to each item of business on the agenda are available for public inspection during regular business hours in the City Clerk's office, 300 E. Branch Street, Arroyo Grande. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by the Americans with Disabilities Act. To make a request for disability-related modification or accommodation, contact the Legislative and Information Services Department at 805-473-5400 as soon as possible and at least 48 hours prior to the meeting date.

This agenda was prepared and posted pursuant to Government Code Section 54954.2 Agenda reports can be accessed and downloaded from the City's website at [www.arroyogrande.org](http://www.arroyogrande.org) If you would like to subscribe to receive email or text message notifications when agendas are posted, you can sign up online through the "Notify Me" feature.

Planning Commission Meetings are streamed live on the [City's YouTube Channel](#) and recorded for replay on Arroyo Grande's Government Access Channel 20.

**ACTION MINUTES  
MEETING OF THE PLANNING COMMISSION**

**July 2, 2024, 6:00 p.m.  
Hybrid City Council Chamber/Virtual Zoom Meeting  
215 East Branch Street, Arroyo Grande**

Commission Members Present: Chair Jamie Maraviglia, Catherine Sackrison,  
Bruce Berlin, Vice Chair Virginia Roof

Commission Members Absent: Kevin Buchanan

Staff Present: Planning Manager Andrew Perez, Associate  
Planner Patrick Holub, Community  
Development Director Brian Pedrotti

**This meeting was conducted in a hybrid in-person/virtual format.**

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**1. CALL TO ORDER**

Chair Maraviglia called the Planning Commission meeting to order at 6:00pm.

**2. ROLL CALL**

Commissioner Buchanan absent.

**3. FLAG SALUTE**

Commissioner Berlin led the flag salute.

**4. AGENDA REVIEW**

None.

**5. COMMUNITY COMMENTS AND SUGGESTIONS**

Chair Maraviglia opened the public comment period.

A member of the public spoke about the lighting in the Village and asked that additional lights be provided.

Ethan Barnes spoke thanked staff for soliciting input regarding the General Plan Update.

Gaea Powell thanked staff for their work on the General Plan Update.

Hearing no further public comment, Chair Maraviglia closed the public comment period.

6. **WRITTEN COMMUNICATIONS**

One supplemental memo was received regarding item 9.a.

7. **CONSENT AGENDA**

Commissioner Berlin identified a typo in the minutes for approval.

7.a **Approval of Minutes**

Moved by Bruce Berlin

Seconded by Catherine Sackrison

Approve the Minutes of the May 7, 2024 Planning Commission meeting with the correction of one typographical error.

Passed

7.b **Consideration of Time Extension 24-002 for CUP 19-002 and Finding that this Action is Not a Project Under CEQA Section 15061; Location – 207 Pilgrim Way; Representative – Warren Hamrick**

Vice Chair Roof stated her support for the project.

Moved by Bruce Berlin

Seconded by Catherine Sackrison

1) Adopt a Resolution approving Time Extension 24-002; and

2) Find the action to be exempt from California Environmental Quality Act pursuant to Section 15061.

Passed

8. **PUBLIC HEARINGS**

None.

9. **NON-PUBLIC HEARING ITEMS**

9.a **General Plan Study Session to Discuss Draft Vision Statements and Guiding Principles**

Planning Manager Perez introduced the item and introduced the City's Consultant.

Michael Gibbons, consultant, presented the staff report and responded to Commissioner questions regarding: outreach efforts; feedback received; and survey results.

Chair Maraviglia opened the public comment period. Speaking from the public were: Gaea Powell, Michael P., Shannon Kessler, Kay Lawton; Ethan Barnes, Liz Worthen, Jared Worthen, Alexandria Davis, Judy Cecchetti; Glenn Martin; and Mike Harris.

Community Development Director Pedrotti provided direction to the Commission regarding the discussion and addressed comments received regarding diversity, equity, inclusion and justice.

Chair Maraviglia called for a ten minute break at 8:01pm.

The Commission reconvened at 8:11pm.

The Commission made the following comments regarding the draft vision statement and guiding principle options:

Discuss the draft vision statements and guiding principles for the General Plan Update, receive public comment, and recommend that Council adopt a vision statement and guiding principles for the comprehensive General Plan Update.

**10. NOTICE OF ADMINISTRATIVE ITEMS SINCE MAY 7, 2024**

Received.

Commissioner Berlin asked a question about the location of the project on Cobble Creek Way that was answered by Associate Planner Holub.

**11. COMMISSION COMMUNICATIONS**

Commissioner Sackrison wished staff, the Commission and the public a happy Fourth of July.

**12. STAFF COMMUNICATIONS**

Community Development Director Pedrotti thanked the Commission for their work and wished them all a happy Fourth of July and responded to a question from the Commission regarding firework regulations.

**13. ADJOURNMENT**

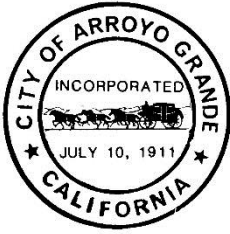
The Meeting adjourned at 8:53pm.

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Jamie Maraviglia, Chair

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Patrick Holub, Associate Planner



## MEMORANDUM

**TO:** Planning Commission

**FROM:** Brian Pedrotti, Community Development Director

**BY:** Andrew Perez, Planning Manager

**SUBJECT:** Consideration of Development Code Amendments Regarding State Density Bonus Law and Implementation of Assembly Bill 1397 and Finding That This Action Not a Project Under the California Environmental Quality Act Pursuant to State Guidelines Section 15061

**DATE:** July 30, 2024

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### RECOMMENDATION:

- 1) Adopt a Resolution recommending that City Council approve the ordinance amendments; and
- 2) Determine that the ordinance amendments are exempt from review under the California Environmental Quality Act pursuant to Section 15061(b).

### IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

No financial impact is projected.

### BACKGROUND:

On January 26, 2021, City Council adopted the City's 2020-2028 Housing Element. The Housing Element was certified by the State Department of Housing and Community Development (HCD) on May 5, 2021. The Housing Element includes numerous programs that the city is required to initiate to implement the policies and achieve the quantified objectives listed in the Housing Element. Planning staff reports the status of each of the programs to HCD in the annual progress reports submitted to the State.

The proposed ordinance amendments would implement Housing Element Programs A.1-1 and A.10-1, both of which are anticipated to establish new affordable housing units. Program A.1-1 implements Assembly Bill 1397 (AB 1397) which requires the City to provide by-right approval for projects that include 20 percent of the units affordable to lower income households if the project is located on a site listed in the Housing Element inventory that are reuse sites from the previous Housing Element cycles.

**Item 8.a**

## **Planning Commission**

### **Consideration of Development Code Amendments Regarding State Density Bonus Law and Implementation of Assembly Bill 1397 and Finding That This Action Not a Project Under the California Environmental Quality Act Pursuant to State Guidelines Section 15061**

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Program A.10-1 directs staff to update AGMC Section 16.82 regarding Density Bonuses to be consistent with current State law. Density bonus is a State program that allows a developer to build more units than would otherwise be allowed by the Municipal Code when a certain percentage of the units in the project are reserved for lower income households. For example, a housing development that proposes to reserve ten percent (10%) of the units for low-income households is entitled to a twenty percent (20%) density bonus. California Government Code Section 65915 establishes regulations for residential density bonuses and requires every local agency to adopt an ordinance to implement these regulations. Last updated in 2007, AGMC Section 16.82 is no longer consistent with State law with the passing of AB 1763 (2019), AB 2345 (2020), and AB 1287(2023), among others. Among the changes to State density bonus laws are increases to the maximum available density bonuses, the number of incentives and concessions available to an affordable housing developer, and a new secondary density bonus that was established by AB 1287.

The projections developed during the production of the Housing Element estimates that this development code amendment to implement the two programs has the potential to produce 18 extremely low-income units, 37 very low-income units and 63 low-income units.

#### **ANALYSIS OF ISSUES:**

##### Ministerial Review of Projects with 20% Affordable Housing

[AB 1397](#) was adopted in September 2017 to create new state regulations related to Housing Elements, including requirements surrounding the sites inventory. In compliance with AB 1397, the proposed Development Code Amendment (DCA) includes a provision to allow by-right, ministerial approval for projects that include 20 percent of the units affordable to lower income households if the projects are located on sites that are reuse sites from the previous Housing Element cycles. For the purpose of this DCA, “by-right” means that the project is exempt from discretionary review and any corresponding discretionary permit that would constitute a “project” under the California Environmental Quality Act. Ministerial projects are not subject to CEQA, therefore projects that meet the aforementioned affordability criteria would be exempt from environmental review.

The DCA was drafted in a way that the ministerial approval would occur concurrently with the issuance of the building permit for the project. The typical reviews by the Planning, Building and Life Safety, and Engineering Divisions would still occur to ensure compliance with applicable standards found in the City’s Municipal Code and State Building Codes, but the process will be streamlined by eliminating the discretionary approval step that is typically included in the process.

There are four (4) parcels that fit this criterion, and are listed in Program A.1-1:

**Item 8.a**



## **Planning Commission**

### **Consideration of Development Code Amendments Regarding State Density Bonus Law and Implementation of Assembly Bill 1397 and Finding That This Action Not a Project Under the California Environmental Quality Act Pursuant to State Guidelines Section 15061**

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- APN 077-011-010 – 700 Oak Park Blvd.
- APN 077-204-028 – 280 S Halcyon Rd.
- APN 077-211-022 – 1125, 1131, 1133 E Grand Ave.
- APN 077-221-031 – 1019 E Grand Ave.

As outlined in Program A.1-1, all projects with 20% low or very low units would be ministerially approved. Implementing this Program incentivizes developers to provide more affordable housing than required by the inclusionary zoning regulations (5% of units reserved for very low-income households, or 10% for low income, or 15% moderate income) and would help the City reach its RHNA goals for affordable housing.

#### State Density Bonus Law

Effective as of January 1, 2024, AB 1287 allows for an additional “stackable” density bonus on top of the existing maximum 50% density bonus provided by State Density Bonus Law. This new provision allows an additional density bonus of twenty percent (20%) to fifty percent (50%) when a project provides an additional set-aside of Very Low Income or Moderate-Income units, as set forth in the tables of Government Code Section 65915(v). Additionally, AB 1287 increases the number of available incentives or concessions for certain mixed-income and one hundred percent (100%) affordable housing developments, with the number of incentives being increased by one for both project types.

The additional density bonus will be applied in a “stackable” manner for both rental and for-sale housing developments. The City will apply the current density bonus tables of Government Code Section 65915(f) and (v) in order to grant the “stackable” density bonus. This would allow for projects to potentially obtain a total 100% density bonus by providing the initial percentage of affordable units to secure an initial 50% density bonus, and then a secondary percentage of affordable units in order to obtain a “stackable” or additional density bonus of up to 50%. Once the set-aside requirements are met to receive the maximum 50% “primary” density bonus, an applicant may request the additional density bonus available through AB 1287. The additional density bonus will be available to projects which meet the following minimum set asides:

- Rental or for sale housing developments which provide 15 percent of the total units to Very Low-Income households.
- Rental or for sale housing developments which provide 24 percent of the total units to Lower Income households.
- For sale housing developments which provide 44 percent of the total units to Moderate Income households.

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**Planning Commission**  
**Consideration of Development Code Amendments Regarding State Density**  
**Bonus Law and Implementation of Assembly Bill 1397 and Finding That This**  
**Action Not a Project Under the California Environmental Quality Act Pursuant to**  
**State Guidelines Section 15061**  
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The additional “stackable” density bonus per AB 1287 will be granted to rental or for-sale projects that meet the minimum affordability requirements listed above and also meet the following additional set-aside percentages:

**Incentives and Concessions**

AB 1287 increases the number of available incentives or concessions for mixed-income, and 100 percent affordable housing developments, as defined in Government Code Section 65915(b)(1)(G). Available incentives are updated to include the following:

- Four (4) incentives or concessions for mixed-income projects that include at least 16 percent of the units for Very Low Income households in a development in which the units are for rent or for sale or at least 45 percent of the units for Moderate Income households in a development in which the units are for sale.
- Five (5) incentives or concessions for a project meeting the criteria of a 100 percent affordable housing development.

Due to the ever-evolving nature of State Density Bonus Law, this DCA proposes to adopt State law by reference, preventing the need to update the Municipal Code every time State law changes. This Section of the Government Code does not afford the City any discretion in its application of the density bonus law, therefore adopting the law by reference minimizes the amount of future staff time required to be compliant.

**ALTERNATIVES:**

The following alternatives are provided for the Commission’s consideration:

1. Adopt the Resolution recommending that City Council adopt the ordinance amendments;
2. Modify and adopt the Resolution;
3. Do not adopt the Resolution or
4. Provide other direction to staff.

**ADVANTAGES:**

The DCA would implement two housing programs from the City’s Housing Element that encourage the development of affordable housing to help meet the City’s Regional Housing Needs Assessment targets.

**DISADVANTAGES:**

None identified.

**ENVIRONMENTAL REVIEW:**

The ordinance amendment is not subject to the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines sections 15060(c)(2) and 15061(b)(3). The activity is not subject to CEQA because it will not result in a direct or reasonably

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foreseeable physical change in the environment; and the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The DCA allows for the ministerial review of housing projects on certain sites specified in the Housing Element and ministerial projects are not subject to CEQA. An update to the Municipal Code related to density bonuses is also exempt because this action cannot cause a physical change to the environment on its own. Thus, it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activity is not subject to CEQA.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

**ATTACHMENTS:**

1. Resolution

**Item 8.a**

RESOLUTION NO.

**A RESOLUTION OF THE PLANNING COMMISSION OF THE  
CITY OF ARROYO GRANDE RECOMMENDING THE CITY  
COUNCIL ADOPT AN ORDINANCE APPROVING  
DEVELOPMENT CODE AMENDMENT NO. 24-003  
REGARDING MINISTERIAL REVIEW OF AFFORDABLE  
HOUSING PROJECTS AND DENSITY BONUSES**

**WHEREAS**, on May 5, 2021, the California Department of Housing and Community Development certified the City's sixth cycle (2020-2028) Housing Element; and

**WHEREAS**, the Housing Element profiles the City's compliance with various state housing laws; and

**WHEREAS**, Housing Element program A.1-1 directs the City to amend the Municipal Code to comply with Assembly Bill 1397 to allow ministerial approval of housing projects where at least twenty percent of the units are affordable to lower income household on parcels identified in this program; and

**WHEREAS**, Housing Element program A.10-1 directs the City to amend the Municipal Code relating to density bonuses to comply with current State law; and

**WHEREAS**, this ordinance adds section 16.52.270 to allow ministerial review of housing projects that are consistent with AB 1397 and amends section 16.82 to specify that the City adopts State density bonus law by reference; and

**WHEREAS**, on July 30, 2024, the Planning Commission conducted a duly noticed public hearing to consider the staff report, recommendations by staff, and public testimony concerning the ordinance. Following the public hearing, the Planning Commission voted to forward the ordinance to the City Council with a recommendation in favor of its adoption; and

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Commission of the City of Arroyo Grande hereby recommends the City Council adopt Ordinances approving Development Code Amendment 24-003 amending Title 16 of the Arroyo Grande Municipal Code as attached hereto as Exhibit "A" and incorporated herein by this reference.

On motion by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and by the following roll call vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

the foregoing Resolution was adopted this 30<sup>th</sup> day of July, 2024.

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**JAMIE MARAVIGLIA**  
**CHAIR**

**ATTEST:**

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**PATRICK HOLUB**  
**SECRETARY TO THE COMMISSION**

**AS TO CONTENT:**

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**BRIAN PEDROTTI**  
**COMMUNITY DEVELOPMENT DIRECTOR**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
ARROYO GRANDE ADDING SECTION 16.52.270  
RELATING TO IMPLEMENTATION OF AB 1397 AND  
AMENDING CHAPTER 16.82 OF THE ARROYO GRANDE  
MUNICIPAL CODE RELATING TO STATE DENSITY  
BONUS LAW AND FINDING THE ORDINANCE EXEMPT  
FROM THE CALIFORNIA ENVIRONMENTAL QUALITY  
ACT**

**WHEREAS**, on May 5, 2021, the California Department of Housing and Community Development certified the City's sixth cycle (2020-2028) Housing Element; and

**WHEREAS**, the Housing Element profiles the City's compliance with various state housing laws, including Senate Bill 2; and

**WHEREAS**, Housing Element program A.1-1 directs the City to amend the Municipal Code to comply with Assembly Bill 1397 to allow ministerial approval of housing projects where at least twenty percent of the units are affordable to lower income household on parcels identified in this program; and

**WHEREAS**, Housing Element program A.10-1 directs the City to amend the Municipal Code relating to density bonuses to comply with current State law; and

**WHEREAS**, this ordinance adds section 16.52.270 to allow ministerial review of housing projects that are consistent with AB 1397 and amends section 16.82 to specify that the City adopts State density bonus law by reference; and

**WHEREAS**, on July 30, 2024, the Planning Commission conducted a duly noticed public hearing to consider the staff report, recommendations by staff, and public testimony concerning the ordinance. Following the public hearing, the Planning Commission voted to forward the ordinance to the City Council with a recommendation in favor of its adoption; and

**WHEREAS**, on \_\_\_\_\_, 2024, the City Council conducted a duly noticed public hearing to consider the ordinance, including: (1) the public testimony and agenda reports prepared in connection with the ordinance; (2) the policy considerations discussed therein; and (3) the consideration and recommendation of the Planning Commission; and

**WHEREAS**, the City Council of the City of Arroyo Grande, at its regularly scheduled public meeting on \_\_\_\_\_, 2024 introduced this Ordinance to add Section 16.52.270 and amend Section 16.82 of Title 16 of the Arroyo Grande Municipal Code; and

**WHEREAS**, all legal prerequisites to the adoption of the ordinance have occurred.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DOES ORDAIN AS FOLLOWS:**

**SECTION 1. Incorporation.** The above recitals are true and correct and are incorporated herein by this reference.

**SECTION 2. Environmental.** The City Council finds that this ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines sections 15060(c)(2) and 15061(b)(3) because it will not result in a direct or reasonably foreseeable physical change in the environment; and the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The DCA allows for the ministerial review of housing projects on certain sites specified in the Housing Element and ministerial projects are not subject to CEQA. An update to the Municipal Code related to density bonuses is also exempt because this action cannot cause a physical change to the environment on its own. Thus, it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 3. Required Findings.** In accordance with section 16.16.040(E) of the Arroyo Grande Municipal Code, the City Council hereby makes the following findings:

1. *General Plan.* The ordinance's amendments to the AGMC are consistent with the General Plan and necessary and desirable to implement the provisions thereof. Specifically, Housing Element program A.1-1 compels the City to comply with AB 1397 by allowing ministerial review of housing projects that meet certain criteria. This ordinance effectuates and implements program A.1-1 by specifying the parcels in which these provisions apply and encourages the development of affordable housing to meet targets established in the Housing Element. Additionally, program A.10-1 directs the City to update the Municipal Code to comply with State density bonus law. This ordinance effectuates and implements program A.10-1 by adopting State law by reference as it relates to density bonuses. For these reasons, the ordinance's amendments to the AGMC are consistent with the General Plan and necessary and desirable to implement the provisions thereof.

2. *Health, Safety, and Welfare; Illogical Land Use Pattern.* Adoption of the ordinance will not adversely affect the public health, safety, and welfare as it updates the AGMC to allow ministerial review of affordable housing projects on site that were previously evaluated for their ability to accommodate affordable housing and adopting State density bonus law by reference to ensure that the AGMC is consistent with the City's Housing Element. Finally, this ordinance will not result in an illogical land use pattern as it is not amending the City's zoning map.



3. *Consistency with Title 16.* This ordinance is consistent with the purpose and intent of AGMC Title 16 because while it does amend the type of permit required for certain affordable housing projects, it does not alter or revise the type or intensity of allowed uses and ensures that the provisions thereof are consistent with the City's Housing Element.

4. *Environmental.* See Section 2 above.

**SECTION 4. Code Amendment.** Section 16.52.270 is hereby added in its entirety to Title 16, Chapter 52 of the Arroyo Grande Municipal Code to read as follows:

**16.52.270 – By-Right Housing Projects**

- A. Purpose and Intent. It is the purpose of this section to facilitate the development of qualifying affordable housing units by implementing Program A.1-1 from the City of Arroyo Grande 2020-2028 Housing Element ("Program A.1-1") and codifying the statutory requirements found in California Government Code section 65583.2(c) governing the same.
- B. Applicability. This section applies to the following sites listed in Program A.1-1: Assessor's Parcel Numbers (APNs) 077-011-010, 077-204-028, 077-211-022, and 077-221-031.
- C. Effect. Residential projects allowed as a use by right under this section shall be exempt from discretionary review and any corresponding discretionary permits that would otherwise be required by Chapter 16.16 of this Code. For purposes of this section, "use by right" has the same meaning as provided in Government Code section 65583.2(i).
- D. Requirements. A proposed owner-occupied or multifamily residential project shall be allowed as a use by right under this section if all of the following requirements are satisfied:
  - 1. The project is located on a site listed in subsection (B) above.
  - 2. The project complies with all applicable objective City policies, development standards, and design standards established in the General Plan or Development Code. Where there is a conflict between other City requirements and this section, the provisions of this section apply.
  - 3. The minimum residential density is 20 dwelling units per acre.
  - 3. At least 20 percent of the units are affordable to lower income households in accordance with Government Code section 65583.2(c).

**SECTION 5. Code Amendment.** Chapter 16.82 of the Arroyo Grande Municipal Code is hereby amended to read as follows (additions shown in underline and deletions shown in ~~strikethrough~~):

**Chapter 16.82. – Density Bonuses**

16.82.010. - Purpose and Application. The purpose of this chapter is to ~~establish procedures for implementing~~ allow density bonuses and other affordable housing incentives to qualifying projects ~~reference requirements~~, as set forth in California Government Code sections 65915 through Section 65918, as they may be amended, ~~and~~ to increase the production of affordable housing, ~~consistent with the city's goals, objectives, and policies.~~

16.82.020. - Density Bonus. The density bonuses and other affordable housing incentives required by State law, including but not limited to, Government Code section 65915 et seq., shall be available to applicants on the terms and conditions specified in State law.

**SECTION 6. Publication.** A summary of this ordinance shall be published in a newspaper published and circulated in the City of Arroyo Grande at least five days prior to the City Council meeting at which the proposed ordinance is to be adopted. A certified copy of the full text of the proposed ordinance shall be posted in the office of the City Clerk. Within 15 days after adoption of the ordinance, the summary with the names of those City Council members voting for and against the ordinance shall be published again, and the City Clerk shall post a certified copy of the full text of such adopted ordinance.

**SECTION 7. Effective Date.** This ordinance shall become effective 30 days after adoption.

**SECTION 8. Severability.** Should any provision of this ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance, and, to that end, the provisions hereof are severable. The City Council declares that it would have adopted all the provisions of this ordinance that remain valid if any provisions of this ordinance are declared invalid.

**SECTION 9. Records.** The documents and materials associated with this ordinance that constitute the record of proceedings on which the City Council's findings and determinations are based are located at 300 E. Branch Street, Arroyo Grande, CA 93420. The City Clerk is the custodian of the record of proceedings.

On motion by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, and by the following roll call vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

the foregoing Ordinance was adopted this \_\_\_\_ day of \_\_\_\_\_, 2024.

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**CAREN RAY RUSSOM, MAYOR**

**ATTEST:**

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**JESSICA MATSON, CITY CLERK**

**APPROVED AS TO CONTENT:**

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**MATTHEW DOWNING, CITY MANAGER**

**APPROVED AS TO FORM:**

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**ISAAC ROSEN, CITY ATTORNEY**