



Folsom City Council Staff Report



MEETING DATE:	10/14/2025
AGENDA SECTION:	Public Hearing
SUBJECT:	Ordinance No. 1353 - An Ordinance of the City of Folsom Amending Chapter 17.52 of the <u>Folsom Municipal Code</u> for the Historic District Relating to Design Review, Sign Permits, Demolitions, and Accessory Buildings (Introduction and First Reading) and Determination that the Project is Exempt from CEQA
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Conduct the first reading of Ordinance No. 1353 – An Ordinance of the City of Folsom Amending Chapter 17.52 of the Folsom Municipal Code for the Historic District Relating to Design Review, Sign Permits, Demolitions, and Accessory Buildings.

BACKGROUND / ISSUE

On July 14, 1998, the City Council adopted Ordinance No. 890 which, among other things, re-wrote Chapter 17.52 of the FMC and established the current historic district primary areas and subareas in which specialized use and development standards apply. That same year, on October 13, 1998, the City Council adopted the City of Folsom Historic District Design and Development Guidelines (Resolution No. 5757) in order to provide a comprehensive document to assist with the implementation of the regulations and standards contained in Chapter 17.52.

FMC Chapter 17.52 currently requires all new structures, exterior renovations, remodeling, or additions to existing structures to be subject to design review from the Historic District Commission (the Commission/HDC). This chapter also requires that all sign permits and the demolition of any structure within the Historic District be subject to approval by the Commission. Outside of the Historic District, design review of custom homes, two-family residences, residential additions, non-residential development less than 1,000 square feet, and minor exterior modifications to non-residential development is subject to design review by the Community Development Director and only go in front of the Planning Commission if the Director’s decision

is appealed. Residential additions that do not require a building permit, as well as minor residential modifications are exempt from design review outside of the Historic District. Sign permits are also subject to Director-level review outside of the Historic District. Demolitions outside of the Historic District do not require Planning Commission approval.

The current process which requires Historic District Commission review even for minor modifications has become expensive and time consuming, with the need for a detailed staff report, manager and City Attorney review of the report, publication and distribution of the report, posting of public notices, and holding the meeting itself with Commissioners, staff, and the Attorney's Office present. Given current staff resources, this process typically takes two or more months, even for small projects. While this process is valuable for large projects, there have been many questions from staff, Commission members, project applicants, and members of the public, as to why this amount of staff time and public resources should be spent on small projects such as minor additions, modifications to non-historic buildings, demolitions of non-historic buildings, and signs.

To help better cover staff costs associated with project applications, City Council approved increases in user fees for all development applications in the Community Development Department, including both Director-level and Commission-level design review, Historic District sign permits, and Historic District demolitions, effective July 1, 2025.

Staff has observed several instances of individuals and businesses not obtaining permits at all for accessory buildings, demolitions and signs within the Historic District. Throughout the years, applicants have stated that the time it takes to get these permits through the process versus the cost of the work itself discourages them from obtaining the proper Planning entitlements. In turn, when Planning entitlements are avoided, the corresponding building and demolition permits are also not obtained, leading to safety as well as aesthetic concerns in the district. Staff believes that the substantial increase in fees for smaller projects that are subject to Commission review, while necessary to cover staff time, may further disincentivize applicants, especially homeowners and small business owners, from going through the process. For example, since July 1 the fee for Design Review in the Historic District is \$400 for existing residential structures and \$800 for new ones. For commercial structures the cost is now \$5,100 for new ones and \$2,210 for existing ones. These higher fees were established to cover the cost of the review process.

Statewide, several laws have been passed to address the housing crisis in California, including removing much of the discretion local jurisdictions once had, especially regarding multi-family housing projects and accessory dwelling units (ADUs). The State also requires that all housing projects over one unit only be subject to objective design and development standards. While the City has objective development standards in the Code, we do not currently have objective design standards that we can apply to the Historic District. Staff has often found that while some housing projects are still technically subject to Commission approval, State law has effectively not allowed for denial of such projects, barring some very narrow findings being met.

Furthermore, with the failure of Measure G in the City of Folsom, staff does not anticipate significant expansion of our limited resources to address both current planning projects within the Historic District and long-range planning goals of developing the code updates and objective design standards needed to be in line with State law while retaining the character of the Historic

District. As a result, by bringing minor projects to the Director level, staff hopes to free up time and resources to start work on longer range efforts in the Historic District such as the comprehensive update to Chapter 17.52 and the creation of objective design standards.

POLICY / RULE

Under Section 2.12 of the City Charter, amendments to the Folsom Municipal Code require review and approval by the City Council.

There are four policies from the City's 2035 General Plan that relate directly to the Historic District. These policies are:

- LU 1.1.9: Preserve Historic Resources: Recognize the importance of history in the City of Folsom, and preserve historic and cultural resources throughout the city, to the extent feasible.
- LU 6.1.2: Historic Folsom Residential Areas: Preserve and protect the residential character of Historic Folsom's residential areas.
- NCR 5.1.4: Applicable Laws and Regulations: Ensure compliance with City, State, and Federal historic preservation laws, regulations, and codes to protect and assist in the preservation of historic and archeological resources, as listed in the City of Folsom Historic Preservation Master Plan, including the use of the California Historical Building Code as applicable, including, but not limited to, Senate Bill 18, Assembly Bill 52, Appendix G to the CEQA Guidelines, and, where applicable, Section 106 of the National Historic Preservation Act.
- NCR 5.1.6: Historic District Standards: Maintain and implement design and development standards for the Historic District

In addition, the Historic District chapter of the Zoning Code provides the intent behind the chapter:

- 17.52.010 Purpose and intent.
 - A. The city council intends to actively promote the purposes of this chapter by (1) creating incentives for residents, property owners and businesses, (2) encouraging cooperation in attaining the purposes set forth in this chapter, and (3) providing a simple, fair and effective system of enforcement of the regulations contained in this chapter.
 - B. The purposes of this chapter are:
 1. To preserve and enhance the historic, small-town atmosphere of the historic district as it developed between the years 1850 and 1950;
 2. To maintain, restore, and reconstruct historic structures and sites within the historic district;
 3. To encourage an active business climate which promotes the development of a diverse range of businesses compatible with the historic district as it developed between the years 1850 and 1950;

4. To retain the residential areas within the historic district;
5. To ensure that new residential and commercial development is consistent with the historical character of the historic district as it developed between the years 1850 and 1950;
6. To increase the awareness, understanding, and appreciation of the history of the city; and
7. To preserve and enhance open space areas.

ANALYSIS

Staff is proposing modifications to Chapter 17.52 of the Zoning Code. The full text of these modifications is included within the Ordinance in Attachment 1 (which includes only the new text) and in Attachment 2 (in strikethrough/underline format). A summary of these proposed changes is provided below:

1. **Director-level Design Review:** Allowing Director-level approval of smaller design review applications for exterior renovations, remodeling, or modification to existing buildings, additions under 500 square feet or less than 25 percent of the building floor area, and accessory buildings. Note that under this proposed modification, buildings listed on the City's Cultural Resources Inventory or located on an existing or potentially eligible historic resource, as defined by the California Environmental Quality Act Guidelines section 15064.5 and the City of Folsom Historical Preservation Master Plan would be elevated to Commission-level review.
2. **Exemptions:** Exempting very small projects from design review entirely, including replacement of existing roof materials, replacement of existing windows and doors, changes to exterior building colors, patio covers and trellises, privacy fencing and walls, aboveground spas and hot tubs, and outdoor cooking facilities not visible from the street. In the case of replacements, the materials would need to be aesthetically similar to the original in order to remain exempt.
3. **Increased Noticing:** Increasing the noticing requirement for both Commission-level and Director-level design reviews in the Historic District to include mailers to adjacent property owners and placement of the notices and submittal materials on the City's website
4. **Regular Commission Updates:** Providing a regular summary to the Historic District Commission of Director-level design reviews.
5. **Director-level Sign Permits:** Allowing Director-level approval of sign permits and maintaining a list of recently approved sign permits in the Historic District on the City's website.
6. **Non-Historic Demolitions:** Allowing Director-level approval of non-historic demolitions of buildings originally constructed less than 50 years prior to the application date and/or not found by staff to be a historic resource.
7. **Accessory Building Standards:** Further limiting the height, size, location, and setback

requirements for accessory buildings.

8. **Consistency Changes:** Changing the language related to entitlement expirations and extensions within the Historic District to be consistent with the language used outside of the Historic District and not automatically tying all entitlements to building permits when none may be required.

Along with these code changes, staff also proposes reductions in fees for projects that are currently reviewed at a Commission level and would be moved down to a Director level since such projects would take less time to process. These proposed fee modifications will be presented to the City Council at the October 28, 2025 City Council meeting in tandem with the second reading of the proposed code amendment.

The intent of these modifications is to accomplish the following:

1. Reducing the amount of limited staff resources dedicated to smaller-scale projects to create more staff time to focus on larger-scale long-range projects in response to State laws and local need.
2. Incentivizes members of the public to obtain the proper permits for smaller projects by reducing the amount of time and entitlement fees associated with these projects, thereby increasing the number of projects reviewed against design, zoning and building safety standards.
3. Ensures that Director-level projects within the Historic District are subject to the same development standards and design guidelines as they currently are, while retaining an open dialogue with the Commission about these projects to develop a consistent approach to design review.
4. Provides increased public noticing for adjacent property owners and those who have generally requested notification to ensure that they are aware of their chance for participation in the design review process, and
5. Reduces staff, applicant, and Commission confusion regarding entitlement expirations and extensions within the Historic District.

While staff recognizes that this is a change from current practice, these modifications are focused on minor projects. There are no changes proposed to the Commission's responsibilities related to major projects such as new homes, shops or other new primary buildings. Projects that require other entitlements beyond design review as a part of the approval – maps, use permits, variances, planned development permits, etc. will still be exclusively reviewed and approved by the Commission. Based on staff's review of past minor projects, there have been few, if any, instances where the Commission has voted against a staff recommendation on a minor project.

Design Review

Currently, any exterior modification to any building within the Historic District requires review by the Commission. The proposed design review modifications would instead require Director-level review for smaller projects located on structures or properties that are not listed as historically significant and that do not have as much of an impact on the streetscape. Regardless of whether a project is reviewed at the Director level or Commission level, staff will be reviewing the project against the same development standards and findings listed in the code, and these projects will continue to be subject to the Historic District Design and Development Guidelines and CEQA.

Staff will continue to route design review applications to the relevant interest groups for the Historic District (Heritage Preservation League, Historic Folsom Residents Association, and Folsom Historic District Association) as part of the Director-level design review process. Staff is also proposing to place design review notices, plans, and decision letters on the City's website for increased transparency for the public.

Currently, only a physical public notice facing the front of the subject property is required for design review. With the abundance of alleys in the Historic District, there are often projects, especially two-story structures containing ADUs, that are proposed along the rear of the property. Neighbors on the other side of the alleys, while potentially impacted by these structures, are often not aware of the public meeting to voice their concerns since the notice is only located on the street frontage opposite their property. As such, staff is proposing increased public noticing to property owners adjacent to the proposed project for design reviews to ensure that those most impacted by design review projects have a chance to take part in the public process. Staff is also proposing to email the location of the project notice on the website to all parties that have previously requested notification of entitlement projects.

Finally, staff propose to provide a summary of all Director-level design review approvals to the HDC. This summary will keep the commission informed about smaller projects not subject to their review and allow them to provide input to staff concerning the appropriateness of the approvals and help the Commission and staff ensure a consistent approach to design review moving forward.

Expirations and Extensions

The code is currently written in a way that ties all entitlement expirations and extensions to the application for a building permit. While this makes sense for design review projects, other entitlements such as conditional use permits and variances often do not require a building permit. As such, staff is proposing to instead refer expirations and extensions for these entitlements to their respective sections in the Zoning Code at large. Staff believes that this provides both a more practical trigger for extensions and expirations and keeps the practice consistent throughout the entire city. Staff has also proposed changing the design review approval period from one year to two years to be consistent with design reviews throughout the rest of the city.

Sign Permits

Staff has found that sign permits are subject to relatively objective standards in the code and relevant sign criteria, and that many business owners in the Historic District have avoided the sign permit process altogether and placed their signs up without a permit. Staff believes that a combination of greater enforcement of illegal signs and moving sign permit review down to the

Director level would lower the review time and costs for sign permits, which should incentivize applicants to obtain these permits. This would help ensure that signs are both consistent with design and development standards in the code and the Historic District Design and Development Guidelines (DDGs) as well as ensure that they are safely installed since they would also obtain building permits as part of the process. Furthermore, staff has proposed code language that would give the Director the right to elevate sign permit applications to the Commission where any ambiguity exists regarding whether the signage meets the design and development requirements. The Commission would also retain its responsibility for reviewing and approving Uniform Sign Programs for multi-tenant buildings. Staff believes that this gives more challenging sign reviews a public forum for review and encourages applicants to modify questionable signage to clearly conform to the design and development requirements to avoid delays. Finally, staff proposes to maintain a list of all approved sign permits in the Historic District on the City's website. This would help keep the HDC and the public informed of which new signs have gone through the process and helps better identify any known new signs that did not.

Accessory Buildings

The code section related to accessory buildings in the Historic District allows for such buildings to be up to the height and square footage of the primary building on the site. The code also does not explicitly state whether accessory buildings in the Historic District can be built in front of the primary residence. Staff is proposing that the height of accessory buildings (except accessory dwelling units) cannot exceed 15 feet in height, that the square footage of all accessory buildings on a lot not exceed 50 percent of the size of the primary building and 50 percent of the rear yard area, and that accessory buildings cannot be located beyond the front plane of the primary building. These modifications would put development standards for accessory buildings in the Historic District in line with those elsewhere in the city. Furthermore, staff is also proposing to move accessory building review down to a Director level. However, these new development standards will limit the size of these buildings since they will no longer be subject to Commission review.

Staff acknowledges that modifying this code section would make existing accessory buildings that are over the proposed maximum height or square footage legal non-conforming structures. Per FMC Section 17.52.690, structures with legal nonconforming status may continue if the nonconformity is not increased (including intensifying the use of the structure). Furthermore, FMC Section 17.52.690(F) allows the Commission to grant conforming status to an otherwise nonconforming structure if it finds that “the structure or structural feature is of exceptional design value, contributes significantly to the goals and policies of the plan, is not detrimental to its neighborhood, and is appropriate to be a permanent feature of historic Folsom.” As such, large accessory buildings that can meet these criteria have an avenue to avoid a nonconforming status, thereby helping preserve some of the more unique accessory structures in the Historic District.

Demolitions

The code currently requires all demolitions within the Historic District to be reviewed and approved by the Commission. Staff's understanding was that the intent of this section was to have buildings constructed during the historic era (pre-1950) to go through this review, as the findings associated with the authorization of demolition are only related to buildings deemed historically significant. Staff is proposing a process that would first require staff to determine if a building was more than 50 years old. If it was clearly not, it would be exempt from further review. If it was, the

applicant would be required to apply for a Historic District Demolition and pay the associated fee. Staff would review the relevant databases and resources to see if the building is a potentially eligible historic resource. If it is then the review and approval would be elevated to Commission-level review. If it is not, review and approval of the demolition would be at the Director level. Staff believes that this process accomplishes the intent of retaining historically significant buildings while making the process easier for applicants with buildings that are newer or are determined not to be historically significant. This also makes it easier for such applicants to obtain a Demolition Permit from the Building Division, thereby ensuring that proper safety measures are taken for demolition.

Conclusion

Staff notes that the proposed code changes are not meant to change how projects are analyzed. Outside of the very small projects proposed to be exempt from Design Review, all projects will continue to be subject to the same level of analysis against the same documents, standards, and guidelines as they currently are. While staff is proposing that several project types be reviewed at a Director level, several enhancements to the existing process are also proposed to help increase transparency and limit the visibility of accessory buildings. The table on the following page demonstrates the differences in the existing process and the proposed process for design reviews:

	Current Process	Proposed Director-Level Process	Proposed Commission-Level Process
Time to Design Review Meeting	2-4 months	1-4 weeks	2-4 months
Routing to Interest Groups	Yes	Yes	Yes
Public Notice	Posted on project site and meeting agenda	Posted on project site, mailed to adjacent neighbors, placed on website, emailed to interested parties	Posted on project site, mailed to adjacent neighbors, placed on website and agenda, emailed to interested parties
Commission Involvement	Hearing body	Quality control body for staff. Hearing body if elevated or appealed	Hearing body
Design and Development Standards and Guidelines	17.52 and DDGs	17.52 and DDGs	17.52 and DDGs
Accessory Building Standards	-No larger than the primary building in square footage or height	-Not located in front of primary building -15 feet tall max and no taller than the primary building. -No more than 50% of required rear yard and primary building	-Not located in front of primary building -15 feet tall max and no taller than the primary building. -No more than 50% of required rear yard and primary building

Note that determination of historic significance is not impacted by whether there is a Director-level Design Review and Demolition process. The determination of a building's historic significance was brought into this process to determine what projects need to be elevated to Commission review, but the methodology to determine historic significance will stay the same regardless of whether there are Director-level reviews and historic significance will remain one of the criteria to be considered in a request for approval of a demolition permit regardless of whether the proposed amendments move forward.

Finally, staff acknowledges that there is certainly much room for improvement in both Chapter 17.52 and in enhancing the City's Cultural Resources Inventory. However, the focus of staff's request at this time is to allow for Director-level reviews while maintaining the same level and quality of staff review against existing standards and guidelines and enhancing project noticing. These proposed amendments will help encourage the public to go through the process and will also free up limited staff resources to concentrate on more effective ways to preserve and enhance the Historic District. In order to have the necessary resources, staff believes that allowing for Director-level review is a critical first step in this process.

General Plan and Folsom Municipal Code Consistency

Staff believes that these proposed modifications are consistent with the General Plan policies regarding the Historic District, as well as FMC Section 17.52.010(B) in that they maintain Commission review for projects on historically significant properties and maintain the same design standards and guidelines as are currently being used (FMC Historic District Special Use and Design Standards and Historic District Design and Development Guidelines). Staff also found that the proposed modifications are consistent with the purpose and intent of FMC Section 17.52.010(A) in that they create an incentive for applicants to obtain permits and comply with the standards of the code by lowering review times and costs for smaller projects. Finally, implementation of these proposed modifications will help free up additional staff resources to work on objective design standards for the Historic District, which staff believes is the most effective tool the City can have in preserving the character of the Historic District.

Historic District Commission Meetings

At the August 6, 2025 HDC meeting, staff presented the proposed code changes to the Commission, and the Commissioners heard comments from the public and presented staff with questions about the proposed changes. Ultimately, the Commission unanimously voted to continue the item to the September 3, 2025 HDC meeting in order to have more time to absorb the comments that came in late in the process and provide input to staff regarding some of the proposed changes. All public comments have been provided in Attachment 3. Staff met with residents of the Historic District as well as interested parties and further analyzed the public comments that had been submitted. At the September 3 meeting, staff presented additional explanations about the proposed changes and some additional modifications based on feedback received, and the Commission ultimately voted to recommend approval of the proposed code modifications to the City Council by a vote of 6-1. Since that meeting, staff has also heard additional feedback to add in a provision that chain link fences not be allowed in the Historic District. Staff supports this request and found that it is consistent with the language of the existing Design and Development Guidelines. As such, staff added a reference to the code update to prohibit chain link fences.

FINANCIAL IMPACT

Staff anticipates that the proposed code changes will lead to fewer staff resources being spent on preparing staff reports and meeting materials for HDC meetings, freeing up limited existing staff resources for larger-scale projects. These changes would also result in fewer HDC meetings, which would reduce the amount of compensatory time used by staff attending those meetings. As such, staff anticipates that the proposed changes would have a positive financial impact on City funds.

ENVIRONMENTAL REVIEW

Under Section 15061(b)(3) “Review for Exemption” of the California Environmental Quality Act (CEQA) Guidelines, the proposed code amendment is process related and administrative in nature and therefore will not have a significant effect on the environment. As a result, the project is exempt from environmental review under CEQA.

ATTACHMENTS

1. Ordinance No. 1353 – An Ordinance of the City of Folsom Amending Chapter 17.52 of the Folsom Municipal Code for the Historic District Relating to Design Review, Sign Permits, Demolitions, and Accessory Buildings
2. Modifications to FMC Chapter 17.52 (Strikethrough/Underline Version)
3. Public Comments Received

Submitted,

A handwritten signature in blue ink, appearing to read "Pam Johns", with a long horizontal flourish extending to the right.

PAM JOHNS
Community Development Director