



# Folsom City Council Staff Report

<b>MEETING DATE:</b>	10/25/2022
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Objective Design and Development Standards and Green Means Go Grant Funding  <ol style="list-style-type: none"> <li>1. Resolution No. 10936- A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Opticos for Development of Objective Design and Development Standards and Appropriation of Funds</li> <li>2. Resolution No. 10937 - A Resolution Authorizing Applications for the SACOG 2022 Green Means Go Funding Program</li> </ol>
<b>FROM:</b>	Community Development Department

**RECOMMENDATION / CITY COUNCIL ACTION**

Staff respectfully recommends that the City Council:

1. Move to approve Resolution No. 10936 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Opticos for Development of Objective Design and Development Standards and Appropriation of Funds
2. Move to approve Resolution No. 10937- A Resolution Authorizing Applications for the SACOG 2022 Green Means Go Funding Program

**BACKGROUND / ISSUE**

The 2035 General Plan and the recently adopted 2021-2029 Housing Element focus Folsom’s future growth in three key areas of the city: along the East Bidwell Corridor, areas around the Glenn and Iron Point light rail stations, and the Folsom Plan Area. To identify strategies to increase development capacity in these key areas to meet the City’s Regional Housing Needs Analysis (RHNA), while at the same time, to foster attractive, well-designed development, the City hired Opticos Design. Opticos is an architecture and urban planning firm with extensive

experience advising cities on housing design and development standards. Opticos evaluated the City's current standards including density, height, setbacks, parking standards, and design guidelines. They also evaluated the economic feasibility of projects using these standards. What they found is that the City's current development standards do not foster attractive and well-designed development in these areas. Furthermore, current standards also make it very challenging for multi-family housing developers to develop affordable housing.

Based on Opticos' analysis, as well as staff's evaluation of other community solutions to similar challenges, staff developed recommendations that focus on form, size, scale, height, and design rather than on density and setbacks. These recommendations, which were supported by City Council at the July 26, 2022 meeting, included the following:

1. A modest increase in density to 35 or 40 du/ac in these target areas.
2. An alternative approach using floor area ratio (FAR) that focuses on form, design, and activation of ground floors for projects that wish to exceed the allocated density.
3. Moderate increases in heights in these areas consistent with community input from the prior workshops and survey.
4. Parking reductions down to one space per unit if viable alternative transportation or parking options are provided.
5. Using build-to lines instead of setbacks to ensure that development goes in the right location, activates the street, and supports pedestrian activity.
6. Development of objective design standards that promote quality design, appropriate scale, and building form.
7. Increasing the number of allowed housing units in the Folsom Plan Area and rezoning additional sites for multi-family housing development subject to the availability of adequate infrastructure and water supplies.

Based on previous direction from the City Council, staff proposes to move forward in partnership with the Opticos team to develop objective design and development standards consistent with the recommendations above for the targeted areas. Targeted areas include: along the East Bidwell Corridor, areas around the Glenn and Iron Point light rail stations, and the Folsom Plan Area Town Center. These objective design and development standards would be incorporated into the Zoning Code update that is currently underway. It is anticipated that these detailed guidelines would take approximately eight months to complete at which time staff would return to the Planning Commission and Council for action.

Based on Opticos' draft contract proposal, the estimated cost to develop a toolkit of standards and high-quality visual graphics would range between \$170,000 to \$245,000 depending on final scope and selection of optional tasks. At the time of this staff report, final scope and selection of optional tasks are still being determined.

Note: Form-based objective design and development standards that accelerate and increase housing in the City's Green Zones are eligible uses for current grant funding through SACOG's Green Means Go Funding Program. As such, specific costs associated with

development of standards along the East Bidwell Corridor and the areas around the Glenn and Iron Point light rail stations could potentially be covered by the SACOG grant and thus reduce the City's out of pocket costs from the City's Housing Fund.

### **SACOG Green Means Go Grant Opportunities**

The Sacramento Area Council of Governments (SACOG) 2022 Green Means Go grant program is designed to fund non-transportation infrastructure and planning that accelerates infill housing within locally adopted Green Zones and supports housing affordability. Eligible project sponsors (i.e., lead applicants) are the 22 cities and six counties within the SACOG region; however, partnerships between lead agencies and other public agencies, nonprofits, or community groups are highly encouraged. There are currently three competitive grant categories associated with this funding: Early Activation, Planning, and Capital. In September of this year, City Council approved Resolution No. 10916 authorizing an application for the Early Activation grant funding for infrastructure and planning activities associated with the development of the affordable housing site at 300 Persifer. Awards of the Early Activation grant will be announced in November.

Staff has also identified additional Green Means Go grant opportunities under the Planning and Capital categories. As previously noted, the development of objective design and development standards as part of the city's Zoning Code Update for the areas along the East Bidwell Corridor and the light rail stations is an eligible use of the Green Means Go Planning grant. In addition, staff has identified the replacement of the existing storm drain system along Bidwell Street between Wool Street and Decatur Street as an eligible project under the Green Means Go Capital grant category.

The grant applications have a due date of October 27, 2022, and all grant funds must be obligated by June 2024 and fully expended by June 2026.

### **POLICY / RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, professional services contracts of \$66,141 or greater shall be approved by the City Council. Furthermore, pursuant to Folsom Municipal Code 2.36.120 professional service contracts are not subject to competitive bidding.

### **ANALYSIS**

#### **Objective Design and Development Standards Analysis**

Increasingly State laws are aimed at reducing the extent of discretionary review of multi-family and mixed-use housing projects. Recently adopted Senate Bill 330 (2019) and Senate Bill 8 (2021) require that jurisdictions conduct design review for all residential projects, including single family development, using objective design standards. This housing legislation defines an "objective" standard as one that involves no personal or subjective judgement by a public official and uniformly verifiable by reference to an

external and uniform benchmark or criterion available and knowable by both the development applicant and the public official prior to submittal.

Since design is so critical to whether a project enhances an area or detracts from it, developing quality objective design and development standards is important to ensuring the appropriate and attractive design of new projects. Thus, as part of the City of Folsom's current Zoning Code Update and efforts to increase maximum densities in key areas of the city, the city plans to develop form-based objective design standards that will insure high level design in four Green Zone areas of the city (Central Business District, Creekside, College- Broadstone and Glenn-Iron Point) and the Folsom Plan Area Town Center. To this end, the city proposes to utilize a combination of FAR standards, build-to lines, and parking reductions in order to develop location specific objective design and development standards that will result in attractive and appropriate development in these areas.

The Opticos Design team of urban designers, architects, and strategists have extensive experience with form-based codes and developing objective design and development standards. Not only does Opticos bring a wealth of experience and creativity to the table, but because of their recent work on our Targeted Multi-family and Mixed-use Housing Study, they already have a core understanding of these areas of the city. Thus, based on their expertise, understanding of the project, and overall project proposal, staff is requesting that City Council authorize the City Manager to execute a professional services agreement with Opticos for the development of objective design and development standard toolkit for the following areas: along the East Bidwell Corridor, areas around the Glenn and Iron Point light rail stations, and the Folsom Plan Area.

### **Grant Analysis**

SACOG Green Means Go Grant – Planning (Category B) – The Planning category is designed to fund planning activities that accelerate infill residential development. Some of the eligible uses include rezoning and updating planning documents and zoning ordinances that accelerate infill development in Green Zones. As previously indicated in the background section of this report, staff has identified this second category, Planning, as a great opportunity to apply for funding that will offset the city's costs associated with developing objective design and development standards within areas designated as the city's Green Zones.

### SACOG Green Means Go Grant – Capital (Category C)

The largest category, Capital, of the Green Means Go funding program will fund non-transportation infrastructure that accelerates infill residential development that improves housing affordability. Non-transportation infrastructure can consist of: Water - Sewer - Stormwater - Electricity – Broadband. The Capital category aims to fund corridor-level infrastructure investments that help unlock an area for increasing residential development.

City staff has determined that replacement of the existing storm drain system along Bidwell Street between Wool Street and Decatur Street is an eligible Capital grant project. The existing storm drain system along Bidwell Street is failing and is no longer able to

adequately convey runoff. The proposed project would replace approximately 500 linear feet of the 18" storm drain line, regrade the roadside ditch, and add asphalt or rip rap to minimize any future potential erosion. The estimated cost of the proposed project is \$325,000. There are several vacant and residentially zoned sites along this part of the Bidwell Street corridor. Given future plans for residential development along this section of the Bidwell Street corridor, replacing the existing drainage system is key to the future residential projects within this designated Green Zone.

At this time, staff is requesting that City Council authorize the City Manager to execute a professional services agreement with Opticos for an amount not to exceed \$250,000 for the development of objective design and development standards. In addition, staff is recommending that the City Council authorize applications for both Green Means Go grant opportunities, presented in Resolution No. 10937.

### **FINANCIAL IMPACT**

Funds are currently available in the General Plan Fund (Fund 225) in an amount of \$250,000 for the Opticos professional services agreement, however an appropriation will be required. Staff is thus requesting an additional appropriation to the General Plan Fund (Fund 225) in the amount of up to \$250,000 for this agreement.

Neither of the grant applications require a financial match.

If the city is able to secure Green Means Go Planning grant funding for a portion of the Opticos project (as previously referenced in this staff report), the project would still receive funding initially through the General Plan Fund (Fund 225); however, the city would be reimbursed for the eligible costs associated with the Green Means Go Grants Program funds in accordance with the reimbursement schedule.

### **ENVIRONMENTAL REVIEW**

The execution of a contract to is not considered a project under the California Environment Quality Act (CEQA) in accordance with CEQA Guidelines Section 15061(b)(3). As a result, this action is exempt from environmental review.

The Zoning Code Update, and associated design and development standards will be required to include environmental review and thus prior to Zoning Code adoption environmental review will be conducted, and the appropriate environmental document prepared. This will be presented to the City Council at the time of adoption.

**ATTACHMENTS**

1. Resolution No. 10936 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Opticos for Development of Objective Design and Development Standards and Appropriation of Funds
2. Resolution No. 10937 - A Resolution Authorizing Applications for the SACOG 2022 Green Means Go Funding Program

Submitted,



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Pam Johns, Community Development Director

## ATTACHMENT 1

**Resolution No. 10936 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Opticos for Development of Objective Design and Development Standards and Appropriation of Funds**

**RESOLUTION NO. 10936**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH OPTICOS FOR THE DEVELOPMENT OF OBJECTIVE DESIGN AND DEVELOPMENT STANDARDS AND APPROPRIATION OF FUNDS**

**WHEREAS**, increasingly State laws are aimed at reducing the extent of discretionary review of multi-family and mixed-use housing projects; and

**WHEREAS**, recently adopted Senate Bill 330 (2019) and Senate Bill 8 (2021) require that jurisdictions conduct design review for all residential projects, including single family development, using objective design standards; and

**WHEREAS**, as part of the City of Folsom's current Zoning Code Update and efforts to increase maximum densities in key areas of the city (along the East Bidwell Corridor, areas around the Glenn and Iron Point light rail stations, and the Folsom Plan Area) the city plans to develop form-based objective design and development standards that will result in attractive and appropriate development in these areas; and

**WHEREAS**, Opticos, by reasons of their experience for developing these types of standards, is qualified to perform the required consulting services; and

**WHEREAS**, an appropriation of up to \$250,000 will be required for the development of objective design and development standards; and

**WHEREAS**, adequate funds are available in the General Plan Fund (Fund 225) for the development of these objective design and development standards; and

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute a Professional Services Agreement with Opticos for the development of objective design and development standards.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** the Chief Financial Officer is directed to appropriate up to \$250,000 in the General Plan Fund (Fund 225) for development of objective design and development standards for areas along the East Bidwell Corridor, areas around the Glenn and Iron Point light rail stations, and the Folsom Plan Area. The appropriation will be from the Community Housing Fund current fund balance.

**PASSED AND ADOPTED** this 25th day of October, 2022, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):

**ABSTAIN:** Councilmember(s):

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Kerri M. Howell, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK

## ATTACHMENT 2

Resolution No. 10937 - A Resolution Authorizing Applications for the  
SACOG 2022 Green Means Go Funding Program

**RESOLUTION NO. 10937**

**A RESOLUTION AUTHORIZING APPLICATIONS FOR THE SACOG 2022 GREEN MEANS GO FUNDING PROGRAM**

**WHEREAS**, the Sacramento Area Council of Governments (SACOG) 2022 Green Means Go grant program is designed to fund non-transportation infrastructure and planning that accelerates infill housing within locally adopted Green Zones and supports housing affordability; and

**WHEREAS**, the City (as a lead agency) is eligible to apply for the Sacramento Area Council of Government (SACOG) 2022 Green Means Go Early Activation grant for non-transportation infrastructure and planning activities that accelerate infill housing within locally adopted Green Zones and supports housing affordability; and

**WHEREAS**, staff has recently identified Green Means Go grant opportunities under the **Planning** and **Capital** Green Means Go funding categories; and

**WHEREAS**, for the **Planning** category, staff has identified the development of objective form-based design and development standards for areas along the East Bidwell Street Corridor and Glenn and Iron Point light rail stations as an eligible activity to receive this grant funding; and

**WHEREAS**, staff also identified the replacement of the existing storm drain system along Bidwell Street between Wool Street and Decatur Street as an eligible project for the **Capital** grant category; and

**WHEREAS**, neither of the grant applications require a financial match.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Folsom hereby authorizes the applications to the Sacramento Area Council of Government for the 2022 Green Means Go Funding Grant for eligible Planning and Capital grant categories.

**PASSED AND ADOPTED** this 25th day of October 2022 by the following roll-call vote:

**AYES:** Councilmember(s):

**NOES:** Councilmember(s):

**ABSENT:** Councilmember(s):

**ABSTAIN:** Councilmember(s):

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Kerri M. Howell, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK