



## City of Grass Valley City Council Agenda Action Sheet

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**Title:** Planning Commission Recommendation of Development Code Amendments.

**Recommendation:** The Planning Commission Recommends that the City Council approved the Development Code Amendments, as presented, or as modified by the City Council, which includes the following actions:

1. Determine the project Statutorily Exempt, as the appropriate level of environmental review, in accordance with the California Environmental Quality Act (CEQA) and Guidelines;
2. Hold the first reading of an Ordinance Approving the Development Code Amendments as presented by title only; and,
3. Adopt Findings of Fact for the Development Code Amendments as presented.

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**Prepared by:** Lance E. Lowe, AICP, Principal Planner

**Council Meeting Date:** August 23, 2022

**Date Prepared:** August 16, 2022

**Agenda:** Public Hearing

**Project Description:** The various Development Code Amendments include, but are not limited to: consideration of limiting the quantity of Short Term Rentals (e.g. Airbnb, VRBOs, etc.) allowed in residential zones; amending monument and mural sign permit approval processes; adding a definition and use for beekeeping; expanding Limited Term Permits to include Mobile Food Facilities (food trucks); increasing the height of carriage houses; approval of uses in the Recreation and Public Zones; allowing open type fencing in the Creek and Riparian Zones; updating the City's Affordable Housing Density Bonus section and section that deals with appeals related to Tentative Maps to ensure consistency with State law. The Development Code was adopted by the City Council on April 11, 2007, and has been amended multiple times since adoption.

**Background Information:** On June 21, 2022, the Planning Commission held a public hearing on the Development Code Amendments. A consensus was reached by the Planning Commission on all the Development Code Amendments; however, substantive discussion occurred at the Planning Commission relating to Short Term Rentals and Approval of Uses in the Recreation and Public Zones as outlined below:

**Short Term Rentals (STRS)** - There are currently 23 Hosted Short-Term Rentals (owner/manager lives in home and rents room(s)), 25 Vacation Home Short Term Rentals

(whole house is rented), and 9 Bed & Breakfast (owner/manager lives in home and rents room(s)). In total, there are 57 permitted short-term rentals in the City Limits.

Four amendments to Short Term Rentals regulations are proposed: 1) limiting quantity of STRS per lot; 2) disallowing STRs in Accessory Dwelling Units (ADUs); 3) amending parking requirements; and 4) clarifying legally non-conforming status.

After further discussion, the Planning Commission reached a consensus on the above noted Short Term Rental changes; however, the policy question of whether the City should continue to allow unlimited STR permits and business licenses, or if a cap or other restriction should be considered to ensure the permanent rental housing stock is not continually diminished was questioned by the Planning Commission. As the City Council may recall, this was a policy discussion/concern at both the Planning Commission and City Council several years ago and staff believed it prudent to raise once again considering the number of STR applications submitted the last several years.

Ultimately, the Planning Commission noted concerns about the loss of rental units and increasing number of Short-Term Rentals but could not reach a decision on whether to limit the number of Short-Term Rentals and if so, what that number should be? Staff suggested that perhaps a study session with the City Council could be arranged to provide further discussion and consensus.

**Approval of Uses in the Recreation and Public Zones** - Presently, both the Open Space and Public Zones require review and approval of projects by the Planning Commission. However, to expediate park projects and considering that park projects require City Council approval of financial commitments, the proposed amendment is to have park projects approved by the City Council directly, without Planning Commission approval.

The Planning Commission had concerns with this approach noting that the Planning Commission should have a role in reviewing development proposals in the City, if for no other reason than to provide an additional forum for public input. The Planning Commission further noted that providing more public opportunities; not less, always results in better project outcomes.

**Council Goals/Objectives:** The Development Code Amendments execute portions of work tasks towards achieving/maintaining Strategic Plan Goal #5 - High Performance Government & Quality Service.

**Fiscal Impact:** Development Code Amendments were prepared with existing staffing resources. No impact to the General Fund will occur.

**Funds Available:** N/A

**Account #:** N/A

**Reviewed by:** \_\_\_\_\_City Manager

\_\_\_\_\_Community Dev. Director

**ATTACHMENTS:**

**Attachment 1** - Draft Ordinance No: \_\_\_\_\_

**Attachment 2** - Planning Commission Staff Report dated June 21, 2022, with Attachments