

<u>Title</u>: Appeal of the Planning Commission's approval of a Development Review Permit and Variance application for the Sierra Guest Home Expansion for a Supportive Housing use

<u>**Recommendation**</u>: Based upon the evidence in the public record, and the Planning Commission's 4:1 approval, staff recommends that the City Council take the following actions:

- A. Deny the appeal and uphold the Planning Commission's approval of the Development Review and Variance Request for the Sierra Guest Home Expansion;
- B. Determine the project Categorically Exempt as the appropriate level of environmental review in accordance with section 15305, categorical exemption Class 5. the California Environmental Quality Act (CEQA) and Guidelines;
- C. Adopt Findings of Fact for approval of the Development Review Permit and Variance as presented in the Staff Report; and,
- D. Approve the Development Review Permit and Variance (23PLN-28) in accordance with the Conditions of Approval, as presented in this Staff Report.

Prepared by: Amy Wolfson, City Planner Council Meeting Date: February 27, 2024

Date Prepared: February 12, 2024

Agenda: Public Hearing

**Background Information:** At the January 16, 2024 meeting, the Planning Commission held a public hearing to consider a Variance Request for encroachment of a rear addition into the 20-foot rear setback and to exceed the 50% lot coverage limit. This meeting had been continued from the Planning Commission's December 19, 2023 meeting. At their January meeting, the Planning Commission approved the Development Review and Variance application with a 4:1 vote. The January 16<sup>th</sup> Planning Commission staff report is attached.

On January 29, 2024, Staff received an appeal challenging the Planning Commission's approval of the Variance Request. The appeal was timely filed within the 15-day appeal period following the Planning Commission decision.

## Appeal Description:

The appeal takes issue with the California Environmental Quality Act (CEQA) categorical exemption adopted by the Planning Commission for the approval of the Variance Request. The Class 5 Categorical Exemption applies to minor alterations to land use limitations where the site has an average slope not exceeding 20% and there is no change in land use density, examples of which include "set back variances not resulting in the creation of any new parcel."

The appeal makes two points with regard to challenging the Class 5 categorical exemption as the appropriate environmental determination:

- 1) That the expansion project proposed does not qualify as a "minor alteration"; and
- 2) That the addition of rooms violates the requirement of the exemption to not result in a change in land use density.

## Staff response to challenge no. 1:

Section 15305 of the CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000, et seq.) exempts "minor alterations in land use limitations." "Land use limitations" are the parameters applicable to a property that are set by a jurisdiction's development code, irrespective of land use. Section 15305 includes examples such as minor lot line adjustments and setback variances, but it can also include parameters such as height limits, parking ratios, and impervious surface limitations. Land use limitations are parameters that have been set at a particular threshold by a jurisdiction. Therefore, "minor alterations" as referred to in the exemption language, are not referring to the physical alterations proposed by a project as is suggested by the appeal, but rather to the limitations set by a jurisdiction's development code.

The "land use limitations" in the case of the proposed project are the 20-foot rear setback and the 50% impervious surface limitation set by the Grass Valley Municipal Code Table 2-8, applicable to properties within the R-1 zoning designation. The Variance to reduce the rear setback to 6'7" and to allow an increase in the allowed impervious surface coverage limit to 67% in order to preserve an existing oak tree, were determined to be minor alterations to the land use limitations generally applied to the city as a whole.

## Staff response to challenge no. 2:

The City Municipal Code Table 2-8 defines density as "Maximum number of dwelling units on a site." A dwelling unit is defined as "a room or **group of internally connected rooms** that have sleeping, cooking, eating, and sanitation facilities, but not more than one kitchen, which constitute an independent housekeeping unit, occupied by or intended for one household on a long-term basis." [emphasis added] The California Residential Code defines a dwelling unit as "a single unit providing complete independent living facilities for one or more person, including permanent provisions for living, sleeping, eating, cooking and sanitation."

The Sierra Guest Home features a group of internally connected rooms, with shared restroom and kitchen facilities, constituting a single independent living facility and/or dwelling unit. It also includes a junior ADU and an ADU, for a total of three independent

living facilities and/or dwelling units, which do not exceed the allowable density and are permissible in all single-family zoning designations pursuant to State law (Gov. Code, § 65852.2, subds. (a)(1)(C), (e)(1)(A).) Therefore, the added rooms associated with the proposed project do not constitute a change in density.

**Staff Conclusion on the Environmental Determination:** Use of the site for supportive housing is permissible under the Grass Valley Municipal Code and a use allowed by right by State law. (Gov. Code, § 65651.) Therefore, the use of the site as supportive housing is considered a ministerial project and therefore not subject to the California Environmental Quality Act (CEQA).

The Variance request qualifies for a Categorical Exemption pursuant to Section 15305, Class 5, of the California Environmental Quality Act (CEQA) and Guidelines. A Class 5 Categorical Exemption consists of minor alterations to land use limitations where the site has an average slope not exceeding 20% and there is no change in land use density, "including set back variances not resulting in the creation of any new parcel." The project site has an average slope between 5% and 7% and the granting of the Variance in land use limitations for the rear setback and impervious coverage limit does not result in a change in density.

<u>Council Goals/Objectives</u>: A City Council decision on an appeal of a Planning Commission decision supports the 2022 Strategic Plan Update, Goal #5: The City of Grass Valley strives to exemplify an innovative, efficient, effective, open and collaborative city government.

Fiscal Impact: none

Funds Available: not applicable

Account #: N/A

Reviewed by: City Manager

## <u>Attachments:</u>

- 1) Appeal Form
- 2) 1/16/24 Planning Commission Staff Report