

Community Development Monthly Status Report
Brian Foucht, Community Development Director
August 6, 2021

A. Community Development Administration

- 1) Development Review: In June, I initiated a refreshed Development Review Committee (DRC) consisting of key members of contract Planning, Building and Engineering Dept. staff and me. The efficacy of DRC was proven during July, with a comprehensive preliminary review of the proposed Kulta Farms Cannabis Facility. DRC review resulted in my decision to suspend processing the Cannabis Facility Permit, which next requires a City Council resolution. A letter detailing DRC review comments and notifying the applicant of the suspension was sent to the applicants on August 4. The decision to suspend processing the Permit may be appealed to the City Manager, and in turn to the City Council.

Building Dept., IWORQs and planning staff continue to update the City's permit management system (IWORQ) to better reflect standard and legally required procedures for accepting, reviewing, and implementing entitlements for development and use of land and buildings.

- 2) Home Occupation: In June, I refreshed the Home Occupation Permit (HOP) requirement in accordance with Section 11-7 of the Municipal Code. A few permits have been issued in tandem with Business License renewals. This process will continue. Staff will propose a change to the City's permit fee schedule to amend the HOP fee to establish a nominal HOP fee for businesses that adhere to standards in the ordinance without the need for a Conditional Use Permit.

In addition, I will propose a Zoning Ordinance amendment that eliminates the need for a Conditional Use Permit for large and small family day care uses and residential care homes in accordance with Health and Safety Code amendments that occurred in 2020 and earlier (HSC Sections 1597.40; 1597.42; 1597.45(b); and 1568.0831.)

- 3) Short Term Rentals: In July, our DRC members worked to prepare health and safety checklists, in addition to occupancy limits based on the type of occupancy; i.e., determined by whether the proprietor lives in the STR. It is likely that occupancy limits will be established on a case-by-case basis depending on the circumstance of the rental and in some cases, surrounding development and uses. Once completed, staff will ask the City Council to review and approve the overall administrative permit strategy and the related fee.

- 4) Accessory Dwelling Unit: the Planning Commission has met three times (May 4, June 22, and July 6) to address topics related to an ordinance that would repeal Municipal Code Section 11-04-050 (Secondary Dwelling Units) and add a Zoning Ordinance chapter that conforms with Government Code Section 65852.2 (Accessory Dwelling Units). Staff held a community meeting on July 29 regarding the topic, during which participants were mostly interested in how to accommodate an ADU on their own property. Following the community meeting, City staff and the City attorney met with our consultants to discuss the application of objective design standards to ADUs that the HCD handbook indicates are exempt from this sort of requirement. It was decided that we would prepare an ordinance that specified objective design standards for regular ADUs and also Exempt ADUs in the City's Historical Districts only. Staff will request HCD review of a draft ordinance that contains these provisions. The draft ordinance and HCD comments will then be presented to the Planning in September.

B. Community Development and Planning Program

- 5) SB2 Grant: the City has received \$160,000 to update the 2000 Specific Plan that identifies specific development objectives for the "The Alameda" corridor between Highway 156 and the De-Anza Trail. This contract was executed in July of this year. Don and I conducted a kick – off meeting with consultants, EMC Planning, on July 6, 2021. This week, EMC Planning Group submitted an updated scope of work, incorporating provisions for collaboration and coordination with other City planning programs and a definitive community engagement program.
- 6) LEAP Grants: the City has received \$60,000 to update the City's Accessory Dwelling Unit and Inclusionary Housing Ordinance.
 - a) ADU Ordinance - Staff conducted a community workshop on July 29 in the Community Hall. Participants were almost uniformly interested in knowing the rules for building an ADU in various circumstances. Following the to know about the standards so that they might construct an ADU. Following the workshop, staff continued to work with our consultants, Harris and Associates, HCD and City Attorney to establish where objective design standards may be applied to otherwise exempt ADUs. Staff will recommend that objective design standards for exempt ADUs be applied in the Historic Districts and on sites with Historic buildings. Exempt ADUs will continue to be possible in other areas of the community. Staff believes that this more limited reach will strengthen our case when HCD reviews our ordinance. This approach follows much conversation between staff and our consultants pivoting around the meaning of one word, "ministerial" in the Government Code, in general and the ADU law, in particular.

Staff will request that HCD conduct a preliminary review of the administrative draft ADU ordinance prior to placing the ordinance on the HRB/Planning Commission agenda. The

Board and Commission will thus have the opportunity to review HCD comments as they consider a recommendation to the City Council.

We anticipate a Planning Commission hearing in September, rather than August.

- b) Inclusionary Housing Ordinance – Staff and our consultant have met to consider changes to the ordinance currently in effect. Key topics include the manner in which the inclusionary requirement is determined, and the tenure of units to be subject to the ordinance.

- 7) Cal-Trans Sustainable Cities Grant, \$183,000 to develop an Active Transportation Plan (pedestrian /bicycle trail) through the City to the De Anza Trail that connects its history and public amenities for those traveling by foot or bike. Staff have now issued a notice to proceed to the Local Government Commission (LGC) to begin work administering the contract. A contract with LGC will be forwarded to the City Council for approval on August 17.

- 8) Don and I met with David Mack of Harris and Associates regarding the Urban Growth Boundary (UGB) program on July 6. Brian has also reached out to members of UGB committee advising the committee that we are beginning to re-energize this program. Staff will meet with the LAFCO Executive Officer Bill Nicholson on July 15 or 16 to refresh our conversation about the potential for development beyond the incorporated boundaries, the need for a tax sharing agreement, and a Municipal Services Report. The SB-2 Grant specific plan, the City’s water supply project, RHNA determination, the Housing Element, transportation improvements and community character will be considerations in determining an appropriate boundary.

C. Economic Development Program

During the month of June, City Manager and I initiated an effort to piece together a “whole cloth” San Juan Bautista economic development program anticipated to have ongoing program and funding ties to the following:

US EDA ([Resources | U.S. Economic Development Administration \(eda.gov\)](https://www.eda.gov)),

USDA (especially the Rural Placemaking program)

US DOT (INFRA 2022?)

California Association of Local Economic Development (CALED),
State Parks Dept.,

The California Preservation Foundation

State Office of Historic Preservation

San Benito County EDC,

San Benito County Chamber of Commerce & Visitors Bureau,

San Juan Bautista Business Community Focus Group

We have established a productive and informative connection with Marc Fontes, San Benito County EDC executive director. Mr. Fontes has been an excellent resource in this effort. I have also been fortunate throughout June to have the invaluable assistance of Lizz Turner, our Community Liaison. Lizz has been instrumental in introducing me to the business community, important local resources and connections.

I believe that economic development involves a strong sense of local community, a healthy community, the ability to safely express values, and a well-defined, resilient, protected and enhanced local context. To achieve this goal Don and I have discussed the importance of strong connectivity among varied elements of the community. Establishing a strong sense of community is a bridge to a vibrant local economy, and this requires a concerted and ongoing effort. City management is reflecting on this relationship as we continue to formulate a robust economic development program, including staffing.