PLANNING COMMISSION AGENDA
March 15, 2023
CITY COUNCIL CHAMBERS
6:30 p.m.
50 Natoma Street
Folsom, California 95630

Effective July 7, 2022, the City of Folsom is returning to all in-person City Council, Commission, and Committee meetings. Remote participation for the public will no longer be offered. Everyone is invited and encouraged to attend and participate in City meetings in person.

CALL TO ORDER PLANNING COMMISSION: Bill Miklos, Ralph Peña, Bill Romanelli, James Ortega, Mathew Herrera, Daniel West, Eileen Reynolds

The Planning Commission has a policy that no new item will begin after 10:30 p.m. Therefore, if you are here for an item that has not been heard by 10:30 p.m., you may leave, as the item will be continued to a future Planning Commission Meeting.

Any documents produced by the City and distributed to the Planning Commission regarding any item on this agenda will be made available upon request at the Community Development Counter at City Hall located at 50 Natoma Street, Folsom, California. The meeting is available to view via webcast on the City's website the day after the meeting.

PLEDGE OF ALLEGIANCE

CITIZEN COMMUNICATION: The Planning Commission welcomes and encourages participation in City Planning Commission meetings and will allow up to five minutes for expression on a non-agenda item. Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the public, however, California law prohibits the Commission from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Commission.

MINUTES

The minutes of the February 15, 2023 meeting will be presented for approval.

NEW BUSINESS

1. Nomination of Two Planning Commissioners to the Water Vision Stakeholder Group

The Environmental and Water Resources Director requests the Planning Commission recommend two planning Commissioners to participate in the stakeholder group for the City's Water Vision and community engagement process. **(Staff Contact: Marcus Yasutake, Environmental and Water Resources Director)**

WORKSHOP

2. Housing Element Program H-2 - Additional Housing Capacity Buildout Assumptions Analysis and Recommendations

Following up on the Targeted Multi-Family and Residential Mixed-Use Housing Study, staff worked with its consultant team to increase housing capacity in the following targeted areas: East Bidwell Mixed Use Overlay, the transit-oriented development areas around the Glenn Drive and Iron Point Road light rail stations, and the Folsom Plan Area Specific Plan (FPASP) Plan Area including the Town Center there. Staff is seeking input on increased residential capacity and buildout assumptions that implement Housing Element Program H-2 to create additional housing opportunities in order to meet the City's current and future share of the Regional Housing Needs Allocation or RHNA, which is a requirement of the Housing Element. **(Principal Planner: Desmond Parrington)**

PLANNING COMMISSION / PLANNING MANAGER REPORT

The next Planning Commission meeting is scheduled for **April 19, 2023**. Additional non-public hearing items may be added to the agenda; any such additions will be posted on the bulletin board in the foyer at City Hall at least 72 hours prior to the meeting.

Persons having questions on any of these items can visit the Community Development Department during normal business hours (8:00 a.m. to 5:00 p.m.) at City Hall, 2nd Floor, 50 Natoma Street, Folsom, California, prior to the meeting. The phone number is (916) 461-6200 and FAX number is (916) 355-7274.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in the meeting, please contact the Community Development Department at (916) 461-6200, (916) 355-7274 (fax) or ckelley@folsom.ca.us. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

NOTICE REGARDING CHALLENGES TO DECISIONS

The appeal period for Planning Commission Action: Any appeal of a Planning Commission action must be filed, in writing with the City Clerk's Office no later than ten (10) days from the date of the action pursuant to Resolution No. 8081. Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, the public hearing

PLANNING COMMISSION MINUTES
FEBRUARY 15, 2023
CITY COUNCIL CHAMBERS
6:30 P.M.
50 Natoma Street
Folsom, CA 95630

CALL TO ORDER PLANNING COMMISSION:

The regular Planning Commission Meeting was called to order at 6:31 p.m. with Chair Eileen Reynolds presiding.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was recited.

ROLL CALL:

Commissioners Present:	Daniel West, Vice Chair Bill Miklos, Commissioner Ralph Peña, Commissioner Bill Romanelli, Commissioner James Ortega, Commissioner Mathew Herrera, Commissioner Eileen Reynolds, Chair
Commissioners Absent:	None

CITIZEN COMMUNICATION: NONE

Oath of Office was Administered to Bill Romanelli

Commendations Presented to Barbara Leary and Justin Raithel

MINUTES: The minutes of the January 18, 2023 Regular Meeting were approved as submitted.

NEW BUSINESS

1. PN 21-159: Vintage Senior Apartments Conditional Use Permit, Planned Development Permit, and Density Bonus

A Public Hearing to consider a request from Vintage at Folsom, LP for approval of a Conditional Use Permit, Planned Development Permit, and Density Bonus for development of a 136-unit senior affordable apartment community on a 4.86-acre site located on the south side of East Natoma Street at the intersection of East Natoma Street and Prison Road (103 East Natoma Street). The General Plan land use designation for the project site is PO, while the Zoning designation is BP PD. An Initial Study, Mitigated Negative Declaration, and Mitigation

Monitoring and Reporting Program have been prepared in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines. **(Project Planner: Steve Banks/Applicant: Vintage at Folsom, LP)**

1. Erin Sargent opposed the project and questioned whether studies were done based on the legal allowable number of residents, and had concerns about parking.
2. Katie Salcone opposed the project based on the potential parking overflow into the neighborhood.
3. Robert McNair opposed the project based on parking impact in the neighborhood and traffic/pedestrian safety.
4. Henry Sundermier opposed the project based on traffic safety.
5. Art Jones opposed the project based on parking impact to the neighborhood and emergency vehicle noise impact.
6. Bob Maechler opposed the project based on traffic/pedestrian safety and congestion at crossings.
7. Kat Gray opposed the project, requesting clarification on date of traffic study and discussed potential impact on the yellow-billed magpie.
8. Teresa Golden-Oleson opposed the project based on traffic safety and parking.
9. Farrah Wood opposed the project based on pedestrian/traffic safety and parking impact.
10. Bill Pacheco opposed the project based on traffic safety at the pedestrian crossing.

COMMISSIONER MIKLOS MOVED TO ADOPT THE MITIGATED DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM PREPARED FOR THE VINTAGE SENIOR APARTMENTS PROJECT (PN 21-159) PER ATTACHMENT 25 OF THE ORIGINAL STAFF REPORT IN ATTACHMENT 2; AND APPROVE A CONDITIONAL USE PERMIT FOR DEVELOPMENT AND OPERATION OF A SENIOR AFFORDABLE APARTMENT COMMUNITY ON THE SUBJECT 4.86-ACRE PROPERTY; AND APPROVE A PLANNED DEVELOPMENT PERMIT FOR DEVELOPMENT OF THE 136-UNIT VINTAGE SENIOR APARTMENTS PROJECT ON A 4.86 ACRE SITE LOCATED AT 103 EAST NATOMA STREET; AND APPROVE A DENSITY BONUS FOR DEVELOPMENT OF THE VINTAGE SENIOR APARTMENTS PROJECT AT A RESIDENTIAL DENSITY OF 28 UNITS PER ACRE AND TO ALLOW FOR THREE INCENTIVES/CONCESSIONS INCLUDING ESTABLISHING A PARKING RATIO OF ONE PARKING SPACE PER UNIT, INCREASING THE MAXIMUM BUILDING HEIGHT FROM 35 FEET TO 42-FEET 6-INCHES, AND INCREASING THE MAXIMUM NUMBER OF BUILDING STORIES FROM 2-STORIES TO 3-STORIES. THESE APPROVALS ARE BASED ON THE FINDINGS (FINDINGS A-U) AND SUBJECT TO THE CONDITIONS OF APPROVAL (CONDITIONS 1-76) ATTACHED TO THIS REPORT.

COMMISSIONER ROMANELLI SECONDED THE MOTION.

AYES: WEST, MIKLOS, ROMANELLI, ORTEGA
NOES: PEÑA, HERRERA, REYNOLDS
RECUSED: NONE
ABSENT: NONE

MOTION PASSED

5. USPT22-00310, Kinetic Ink Conditional Use Permit and Determination that the Project is Exempt from CEQA

A Public Hearing to consider a request from Faun O'Neel for a Conditional Use Permit to operate a tattoo parlor and piercing shop at 47A Natoma Street. The zoning classification for the site is C-2 while the General Plan land-use designation is CC. The project is exempt from the California Environmental Quality Act in accordance with Section 15301 of the CEQA Guidelines. **(Project Planner: Josh Kinkade/Applicant: Faun O'Neel)**

COMMISSIONER ROMANELLI MOVED TO APPROVE THE KINETIC INK CONDITIONAL USE PERMIT (USPT22-00310), BASED ON THE FINDINGS INCLUDED IN THIS REPORT (FINDINGS A-G) AND SUBJECT TO THE ATTACHED CONDITIONS OF APPROVAL (CONDITIONS 1-14).

COMMISSIONER ORTEGA SECONDED THE MOTION.

AYES: WEST, MIKLOS, PEÑA, ROMANELLI, ORTEGA, HERRERA, REYNOLDS
NOES: NONE
RECUSED: NONE
ABSENT: NONE

MOTION PASSED

2. MSTR22-00218, Folsom Ranch Apartments Conditional Use Permit, Planned Development Permit, Development Agreement Amendment, Minor Administrative Modification and Determination that the Project is Exempt from CEQA

A Public Hearing to consider a request from Lewis Management Corporation for the approval of a Development Agreement Amendment, Planned Development Permit, Conditional Use Permit, and Minor Administrative Modification for the development and operation of a 238-unit market rate apartment community on a 15.8-acre site located at the northwest corner of the intersection of Alder Creek Parkway and Westwood Drive within the Folsom Plan Area. The General Plan land use designation is GC and the Specific Plan designation is SP-GC-PD. The City, as lead agency, has determined that the Mangini Ranch Phase 1 project is entirely consistent with the Folsom Plan Area Specific Plan (FPASP) and therefore the project is exempt from the California Environmental Quality Act as provided by Government Code section 65457 and CEQA Guidelines section 15182. **(Project Planner: Steve Banks/Applicant: Lewis Management Corporation)**

COMMISSIONER MIKLOS MOVED TO APPROVE THE CEQA EXEMPTION FOR THE PROPOSED PROJECT PURSUANT TO GOVERNMENT CODE SECTION 65457 AND CEQA GUIDELINES SECTION 15182(C), AND APPROVE A CONDITIONAL USE PERMIT FOR DEVELOPMENT AND OPERATION OF A MARKET-RATE PAIRED, TOWNHOUSE-STYLE APARTMENT COMMUNITY ON THE SUBJECT 15.8-ACRE PROPERTY, AND APPROVE A PLANNED DEVELOPMENT PERMIT WHICH CONTAINS DETAILED DEVELOPMENT AND ARCHITECTURAL STANDARDS FOR THE PROPOSED 328-UNIT RESIDENTIAL APARTMENT COMMUNITY AS DESCRIBED IN THIS REPORT AND THE ATTACHED CONDITIONS OF APPROVAL, AND APPROVE A MINOR ADMINISTRATIVE MODIFICATION TO TRANSFER 116 MMD ALLOCATED UNITS FROM PARCEL 61 TO THE SUBJECT PARCEL (PARCEL 85A), TO TRANSFER 221 MHD ALLOCATED UNITS FROM THE SUBJECT PARCEL (PARCEL 85A) TO PARCEL 61, AND TO TRANSFER 3.3 ACRES OF PARKLAND FROM THE SUBJECT PARCEL (PARCEL 85A) TO PARCEL 61 WITHIN THE FOLSOM PLAN AREA, AND TO RECOMMEND THAT THE CITY COUNCIL APPROVE A DEVELOPMENT AGREEMENT AMENDMENT TO THE FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT TO DEED RESTRICT 64 AFFORDABLE HOUSING UNITS ON A PORTION OF THE REMAINDER WITHIN PARCEL 61 IN THE FOLSOM PLAN AREA. THESE APPROVALS AND RECOMMENDATIONS ARE BASED ON THE PROPOSED FINDINGS BELOW (FINDINGS A-U) AND SUBJECT TO THE RECOMMENDED CONDITIONS OF APPROVAL (CONDITIONS 1-46) ATTACHED TO THIS REPORT, WITH THE FOLLOWING MODIFICATIONS TO CONDITIONS NO. 7, NO. 17, NO. 19, AND NO. 30:

Modification to Condition of Approval No. 7

The owner/applicant acknowledges that the State adopted amendments to Section 65850 of the California Government Code (specifically Section 65850(g)), effective January 1, 2018, to allow for the implementation of inclusionary housing requirements in residential rental units, upon adoption of an ordinance by the City. In the event that the City amends its Inclusionary Housing Ordinance (IHO) with respect to inclusionary requirements for rental housing units prior to owner/applicant's submittal of a complete application for a building permit for the Folsom Ranch Apartments Project, the owner/applicant (or successor in interest) agrees that the project shall be subject to said rental unit inclusionary requirements, as amended.

Landowner further agrees to **create and** record a deed restriction against a **certain** portion of Parcel 61 in the Folsom Plan Area, **shown and designated as the Remainder on Parcel Map PN-21-043 filed for record on October 21, 2021 in Book 245 of Parcel Maps at Page 2 in the official records of Sacramento County,** to restrict use of such property to affordable housing purposes only ("Affordable Housing Parcel"). Said deed restriction shall be in a form reasonably approved by the City and shall be recorded against the Affordable Housing Parcel **upon creation of the same and** prior to issuance of a building permit for any portion of the Folsom Ranch Apartments Project. Said deed restriction shall require the Affordable Housing Parcel to include 64

deed restricted multi-family housing units available for low-, very-low, and/or extremely-low income households (as those terms are defined in Sections 50079.5, 50093, 50150, and 50106 of the Health and Safety Code), which shall remain in place for at least 55 years from the date of recording.

The 64 units are anticipated to be located on a site of approximately 2.5 but no more than 3 acres with MHD zoning that is expected to accommodate 25 to 35 units per acre. A large lot parcel map will be processed through the City to create the ultimate deed restricted Affordable Housing Parcel. A site plan will be submitted with the large lot parcel map to verify that the deed restricted Affordable Housing Parcel is sized to accommodate the 64 affordable units. Unless City amends its Inclusionary Housing Ordinance as described in Section 1.7 of Amendment No. 2 to the First Amended and Restated Development Agreement prior to Landowner (or a successor in interest) submitting a complete application for its first building permit for a residential rental project on Parcel 61, Landowner's compliance with this Condition of Approval shall fully satisfy Landowner's obligations with respect to inclusionary and/or affordable housing under the General Plan Housing Element, Specific Plan, Folsom Municipal Code, and Entitlements for any residential rental project on Parcel 61. In the event (i) City amends its Inclusionary Housing Ordinance as described in Section 1.7 of Amendment No. 2 to the First Amended and Restated Development Agreement prior to Landowner (or a successor in interest) submitting a complete application for its first building permit for a residential rental project on Parcel 61 or (ii) Landowner (or a successor in interest) proposes a for-sale residential project on Parcel 61, then Landowner's compliance with this Condition of Approval shall instead offset Landowner's obligations with respect to inclusionary and/or affordable housing under the General Plan Housing Element, Specific Plan, Folsom Municipal Code, and Entitlements on Parcel 61 and Landowner shall receive credits for a total of 64 deed-restricted multi-family housing units ("Affordable Housing Credits"). City agrees that any such Affordable Housing Credits may be transferred to and used to satisfy and/or offset the inclusionary and/or affordable housing obligation for any residential project on Parcel 61, 77, 85A-3 or 85A-4. ~~Owner/applicant understands and agrees that this deed restriction shall have no effect on owner/applicant's (or a successor in interest's) obligations with respect to inclusionary and/or affordable housing on Parcel 85A-3 (APN 072-4110-002) or Parcel 85A-4 (APN 072-4110-001).~~

Modification to Condition of Approval No. 17

The improvement plans for the required public and private improvements necessary to serve the project shall be reviewed and approved by the Community Development Department prior to approval of a building permit for the project. **In addition, the required public and private improvements including landscape and irrigation improvements for the project shall be completed** ~~and accepted by~~ **to the satisfaction of the Community development Department prior to issuance of a Certificate of Occupancy for** ~~the project~~ **each phase of the development.**

Modification to Condition of Approval No. 19

The on-site water and sewer systems shall be privately owned and maintained. The fire system shall be constructed to meet the ~~National Fire Protection Association Standard 24~~ **California Fire Code and State Building Codes**. The domestic water and irrigation system shall be metered per City of Folsom *Standard Construction Specifications*.

Modification to Condition of Approval No. 30

1. This project shall require two points of **metered** connection**s** to the City's Potable Water Distribution Main for each parcel. **The water system shall be constructed in accordance with City of Folsom water standards.**

~~a. Connection shall be constructed in accordance with City of Folsom water standards~~
~~b. From masonry wall to back of curb will be used with non-potable water~~
~~c. Irrigation interior to the project shall be served by the domestic water~~
~~d. Connection 1 for first parcel (Parcel 85A-3) shall include:~~
~~i. A water service manifold per WR-23 to serve domestic (metered and approved RPPA) and fire flow (with approved RPDA).~~
~~ii. A separate irrigation service with meter coming from the non-potable water line.~~

e. ~~Connection 2 for first parcel (Parcel 85A-3) shall include:~~
   i. ~~A water service manifold per WR-23 to serve domestic (metered and approved RPPA) and fire flow (with approved RPDA).~~
   ii. ~~A separate irrigation service with meter coming from the non-potable water line.~~

f. ~~Connection 1 for second parcel (Parcel 85A-4) shall include:~~
   i. ~~A water service manifold per WR-23 to serve domestic (metered and approved RPPA) and fire flow (with approved RPDA).~~
   ii. ~~A separate irrigation service with meter coming from the non-potable water line.~~

g. ~~Connection 2 for second parcel (Parcel 85A-4) shall include:~~
   i. ~~A water service manifold per WR-23 to serve domestic (metered and approved RPPA) and fire flow (with approved RPDA).~~
   ii. ~~A separate irrigation service with meter coming from the non-potable water line.~~

2. The applicant shall perform a hydraulic analysis/study to confirm the 2-story duplexes are capable of meeting domestic water demands and fire flow sprinkler demands since this location is at the top of Pressure Zone 3.

3. Hot-Taps to the existing potable distribution system and non-potable distribution system are not allowed. Cut-in Tees only.

4. There shall be a Sanitary Sewer Manhole Placed at the Property line boundary that differentiates private vs public sewer system for each Parcel (Two Parcels in total).

5. All on-site water shall be privately owned, operated, and maintained.

6. All on-site sewer shall be privately owned, operated, and maintained.

7. If there is going to be a clubhouse with a kitchen, it will require the applicant to install an 8.5”x11” placard affixed to the wall in the Clubhouse Kitchen that informs users about the Do’s and Don’ts of FOG.

8. All backflow devices shall be RPPA (Domestic) or RPDA (Fire).

9. All meters shall include a meter bypass per the City’s Water Construction Standards.

COMMISSIONER HERRERA SECONDED THE MOTION.

AYES: WEST, MIKLOS, PEÑA, ROMANELLI, ORTEGA, HERRERA, REYNOLDS
NOES: NONE
RECUSED: NONE
ABSENT: NONE

MOTION PASSED

3. DRDL22-00304, Fire Station No. 34 Design Review

A Public Meeting to consider a request from the City of Folsom for Design Review approval of a new fire station located at 3255 Westwood Drive. The specific plan designation for the site is SP-MLD-PD while the General Plan land-use designation is MLD. The project was previously determined to be exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15332 of the CEQA Guidelines. **(Project Planner: Brianna Gustafson/Applicant: City of Folsom)**

COMMISSIONER REYNOLDS MOVED TO APPROVE A DESIGN REVIEW APPLICATION FOR FIRE STATION NO. 34 AS ILLUSTRATED ON ATTACHMENT 5 (DRCL22-00304) BASED ON THE FINDINGS (FINDINGS A-G) AND SUBJECT TO THE CONDITIONS OF APPROVAL (CONDITIONS 1-28) ATTACHED TO THIS REPORT.

COMMISSIONER PEÑA SECONDED THE MOTION.

AYES: WEST, MIKLOS, PEÑA, ROMANELLI, ORTEGA, HERRERA, REYNOLDS
NOES: NONE
RECUSED: NONE
ABSENT: NONE

MOTION PASSED

4. DRCL22-00304, Russell Ranch Phase 2 Villages 1 & 2 Residential Design Review Modifications

A Public Meeting to consider a request from Lennar Homes of California for Design Review approval to modify two master plans within the previously approved Russell Ranch Phase 2 Villages 1 and 2 project. The specific plan designation for the site is SP-SFHD while the General Plan land-use designation is SFHD. An Environmental Impact Report was previously certified for the Russell Ranch Subdivision project on May 15, 2015 by the City Council in accordance with the requirements of the California Environmental Quality Act (CEQA) and the CEQA Guidelines and no further environmental review is required as a part of this project. **(Project Planner: Josh Kinkade/Applicant: Lennar Homes of California)**

COMMISSIONER WEST MOVED TO APPROVE A RESIDENTIAL DESIGN REVIEW APPLICATION TO MODIFY TWO MASTER PLANS WITHIN THE PREVIOUSLY APPROVED RUSSELL RANCH PHASE 2 VILLAGES 1 AND 2 PROJECT AS ILLUSTRATED ON ATTACHMENT 7 FOR THE RUSSEL RANCH PHASE 2 VILLAGES 1 AND 2 RESIDENTIAL DESIGN REVIEW MODIFICATIONS PROJECT (DRCL22-00319) BASED ON THE FINDINGS (FINDINGS A-J) AND SUBJECT TO THE CONDITIONS OF APPROVAL (CONDITIONS 1-14) ATTACHED TO THIS REPORT.

COMMISSIONER ROMANELLI SECONDED THE MOTION.

AYES: WEST, MIKLOS, PEÑA, ROMANELLI, ORTEGA, HERRERA, REYNOLDS
NOES: NONE
RECUSED: NONE
ABSENT: NONE

MOTION PASSED

PLANNING COMMISSION / PLANNING MANAGER REPORT

The next Planning Commission meeting is scheduled for March 15, 2023.

ADJOURNMENT

There being no further business to come before the Folsom Planning Commission, Chair Eileen Reynolds adjourned the meeting at 9:55 p.m.

RESPECTFULLY SUBMITTED,

_____
Christina Kelley, ADMINISTRATIVE ASSISTANT

APPROVED:

_____
Eileen Reynolds, CHAIR

AGENDA ITEM NO. 1
Type: New Business
Date: March 15, 2023

Planning Commission Staff Report

50 Natoma Street, Council Chambers
Folsom, CA 95630

Project:	City of Folsom Water Vision and Community Engagement Process
Request:	Nomination of Two Planning Commissioners to Stakeholder Group
Staff Contact:	Marcus Yasutake, Environmental Water Resources Director

RECOMMENDATION

The Environmental and Water Resources Director requests the Planning Commission recommend two Planning Commissioners to participate in the stakeholder group for the City's Water Vision and community engagement process.

BACKGROUND / ISSUE

The Environmental and Water Resources (EWR) Department develops the City's Urban Water Management Plan, and this plan is updated every five years. On June 8, 2021, the Folsom City Council approved Resolution No. 10643 adopting the City's 2020 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan. All urban water suppliers, either publicly or privately owned, serving municipal water to 3,000 customers or supplying more than 3,000 acre-feet annually, are required to prepare an UWMP. The UWMP is required for an urban water supplier to be eligible for California Department of Water Resources (DWR) state grants, loans, and drought assistance.

The UWMP has been used as the primary water supply planning document for the City. The 2020 UWMP identifies the City's water supplies and demands in five-year increments to the year 2045. In an effort to develop more reliable, resilient, and sustainable water supplies for the City, EWR staff is recommending a Water Vision planning process to evaluate water supply alternatives to meet customer demands during drought or infrastructure outages, and to consider water supply impacts due to climate change. The goal is to evaluate the adequacy and reliability of the City's water supplies and to develop City Council policy to provide long-term guidance for managing these supplies.

At the February 28, 2023 Council meeting, the City Council directed staff to include two Planning Commissioners as part of a future Stakeholder Group for the Water Vision planning process.

POLICY / RULE

The 2035 General Plan outlines the necessary public facilities and services (PFS) to serve the needs of existing and future residents and businesses. The policies within Section 7 of the

General Plan seek to ensure that PFS are provided and maintained, so that Folsom can continue to grow and thrive to 2023 and beyond.

Folsom General Plan 2035, Goal PFS 3.1/Objective 3.1.5 – Coordinate with regional and sub-regional agencies to ensure the reliability of an adequate water supply.

Folsom General Plan 2035, Goal PFS 3.1/Objective 3.1.7 – Provide an adequate supply of water for all users in Folsom now and in the future.

Folsom General Plan 2035, Goal PFS 3.1/Objective 3.1.8 – Require water resources be developed in coordination with local flood management, water conservation, and groundwater agencies.

Folsom General Plan 2035, Goal PFS 3.1/Objective 3.1.11 – Ensure a resilient water storage and distribution system that can rapidly recover in the event of a disaster.

ANALYSIS

The intent of the Water Vision is to initiate a City-wide discussion and an opportunity for public participation in the planning of Folsom's future water supply. This effort will also include regular discussions with the Utility Commission during their regularly scheduled Utility Commission meetings and City Council as needed. EWR is recommending the development of a focused stakeholder group consisting of 15-20 members of the community. EWR proposes the program contents below that would be presented to the stakeholder group and the public in various workshops for public comment, feedback, and discussion.

- City water supplies and contracts.
- City's current and future water use.
- Statewide landscape regarding water usage.
- Potential threats to the City's water supplies.
- Opportunities for water supply reliability, resiliency, and redundancy.

The following identifies the objectives of Folsom Water Vision.

- Develop reliable, resilient, and sustainable water supply opportunities.
- Provide the opportunity for public participation and education related to the City's water supplies.
- Develop a targeted stakeholder group to provide feedback on the development of goals, objectives, and water supply opportunities.
- Update the Utility Commission and City Council during the process of developing the City's Water Vision.
- Develop a City-wide Water Vision based on City Council policy and direction.

Below is a potential list of participants for the stakeholder group. Staff recommends that no more than 20 participants be included.

- Utility Commissioner(s).
- Planning Commissioner(s).
- Parks and Recreation Commissioner(s).
- Folsom Cordova Unified School District representative.
- Folsom Lake College representative.
- Medical field representative.
- Choose Folsom representative.
- Environmental interest representative (Sierra Club, ECOS, Friends of the River).
- Citizen groups.
- Aerojet/Rocketdyne representative.
- Development Community representative.
- Large water user representative (Intel, Kikkoman, Gekkeikan).
- Landscape community.

Staff anticipates that the City will issue a Request for Proposals to facilitate stakeholder involvement, to evaluate current and future water supplies and demands from the City's 2020 UWMP, to develop water supply planning objectives, analyze the City's water supplies and demands under climate change conditions to identify water shortages, if any, to develop and analyze future water supply portfolios, and to develop an implementation strategy based on policy direction from City Council.

ENVIRONMENTAL REVIEW

The nomination of Planning Commissioners to a Stakeholder Group is not a project as defined by the California Environmental Quality Act.

RECOMMENDATION

The Environmental and Water Resources Director requests the Planning Commission recommend two Planning Commissioners to participate in the stakeholder group for the City's Water Vision and community engagement process.

Submitted,

Marcus Yasutake, Director
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

AGENDA ITEM NO. 2
Type: Workshop
Date: March 15, 2023

Planning Commission Staff Report

50 Natoma Street, Council Chambers
Folsom, CA 95630

Project:	Housing Element Program H-2 - Additional Housing Capacity Buildout Assumptions Analysis and Recommendations
File #:	SPEC23-00030
Request:	Review and Comment
Location:	East Bidwell Corridor, Glenn and Iron Point light rail stations, and Folsom Plan Area
Parcel(s):	N/A
Staff Contact:	Stephanie Traylor Henry, Senior Planner, 916-461-6208 shenry@folsom.ca.us

Recommendation:
Staff is seeking input on increased residential capacity and buildout assumptions to implement Housing Element Program H-2 (Create Additional Lower-Income Housing Capacity). Please review the analysis and assumptions presented in this staff report and accompanying memorandum from Ascent (Attachment 1) regarding the proposed residential capacity increase (refer to Table 3) and provide input to be shared with the City Council later this month.

Project Summary:
As part of the Housing Element Update adopted by City Council in August 2021, the City is required to establish and maintain multi-family and mixed-use land available to meet the target housing demand at all income levels over an eight-year period.

To create additional opportunities for high-density housing and ensure the City maintains adequate capacity for lower-income Regional Housing Needs Allocation (RHNA), the 2021-2029 Housing Element includes a program (Program H-2) to strategically increase maximum densities in targeted areas of the City. The targeted areas for increased residential densities to satisfy the City's RHNA include:

- East Bidwell Mixed Use Overlay
- SACOG Transit Priorities Areas (Glenn and Iron Point light rail stations)
- Folsom Plan Area Specific Plan (FPASP) Town Center, as well as other sites

The City received several grants and hired consultants to analyze and prepare the necessary General Plan Amendments and Rezones to implement Program H-2. That work commenced in January of 2022 and is expected to be completed by December 2023. As part of this project the city will complete the following tasks:

1. Amend the General Plan and Zoning Code to increase the maximum density and floor area ratio (FAR) standards for the East Bidwell Corridor Mixed-Use Overlay
2. Establish a new Transit Development (TD) overlay designation that would allow for increased densities and FAR for parcels around the Glenn and Iron Point light rail stations.
3. Amend the General Plan and FPASP to increase opportunities for multi-family high density development and amend the existing Town Center District (TCD) overlay designation to allow for increased densities and FAR for parcels in the TCD overlay area.
4. Identify Zoning Code Amendments and corresponding General Plan Amendments necessary to create a TD overlay, necessary zoning map changes, and revisions to design and development standards.
5. Conduct technical analyses to support the environmental review process.
6. Prepare the appropriate environmental document to address the changes to the General Plan, FPASP, and Zoning Code.

The first part of this effort was a Targeted Mixed-use and Multi-family Housing Study prepared by Opticos Design, Inc. (Opticos) which focused on a market feasibility analysis of and appropriate designs for higher density residential and residential mixed-use development in the identified targeted areas. This work was important in helping the Planning Commission, City Council, and the public understand how design and density can work together to achieve attractive development in Folsom that supports transit use and existing commercial development, reduces vehicle miles traveled (VMT), and can provide more affordable housing options. The goal of the study was to reach consensus on increased density, development, and design standard recommendations for the three targeted areas which Opticos outlined in their Recommendations Memo (Attachment 2). Based on these recommendations, community input, and City Council direction, results from the study are being used to make development assumptions and determine appropriate development standards associated with the amendments to the City's 2035 General Plan, FPASP, and Zoning Code.

Over the course of this past year, staff have also been meeting with several of the FPASP landowners and interested developers with a focus on identifying additional sites for lower-income housing capacity by 1) increasing the allocated capacity and density of multi-family sites in the FPASP in addition to the multi-family and mixed-use sites in the Town Center; 2) identifying additional sites for lower-income housing; and 3) deed restricting some of the properties for lower income housing units to satisfy the City's RHNA.

Based on the results of the Targeted Housing Study and discussions with the FPASP landowners, staff have been able to quantify the projected increased capacity of existing opportunity sites and identify additional opportunity sites to establish build out assumptions that will be used as the basis for the technical studies and environmental review. Table 3 includes a summary of the proposed buildout capacity through 2035 for each of the targeted areas.

At this time, staff is seeking Planning Commission input on the proposed buildout capacity (increased housing capacity). Commission input will be shared with the City Council on March 28, 2023 for direction on the proposed buildout capacity. With Council direction, staff and consultants will complete the technical and environmental analyses necessary for future amendments to the General Plan, FPASP, and Zoning Code.

Please note that this report was not presented to the Historic District Commission since none of the target areas are located within the boundaries of the Historic District.

Submitted,

PAM JOHNS
Community Development Director

BACKGROUND/ISSUE

On August 24, 2021, the City Council adopted the 2021-2029 Housing Element. This State-mandated part of the General Plan serves as the City's plan to accommodate current housing needs and future growth. One of the key challenges the City faced (and continues to face) with this most recent Housing Element pertains to Folsom's share of the Regional Housing Needs Allocation (RHNA) as determined by the Sacramento Area Council of Governments (SACOG).

As shown in Table 1 below, the City's RHNA obligation for this eight-year Housing Element cycle is 6,363 housing units, of which 3,567 units are to be affordable to very low-income and low-income households (collectively referred to as the "lower-income" RHNA).

Table 1

Folsom's 2021-2029 Regional Housing Needs Unit Allocation by Income						
RHNA	Very Low	Low	Moderate	Above Moderate	Total	*Average Yearly Need
Housing Units	2,226	1,341	829	1,967	6,363	795
Percent of Total	35%	21%	13%	31%	100%	
Note: * Based on 8-year planning period Source: SACOG Regional Housing Needs Plan Cycle 6 (2021-2029), February 2020						

While the City was able to identify sufficient sites for future housing growth and higher density zoned sites assumed to accommodate more affordable housing, the State also requires the City to maintain sufficient zoned land throughout the Housing Element eight-year period. Since Housing Element adoption, developers have built both affordable and market rate housing on higher density multi-family sites. When sites identified for affordable housing are developed with market-rate housing, the State "no net loss" law requires the City to find additional capacity or rezone land to maintain capacity to meet the City's housing allocation (RHNA). Thus, to create additional opportunities for high-density housing and ensure the City maintains an adequate capacity to meet its lower-income RHNA throughout the planning period, the 2021-2029 Housing Element includes a program (Program H-2) to strategically increase maximum allowed densities in targeted areas of the city and to increase housing capacity in the FPASP as follows:

- **Implementation Program H-2 Create Additional Lower-Income Housing Capacity:** The City shall create additional opportunities for high-density housing to ensure the City maintains adequate capacity to meet the lower-income RHNA throughout the planning period. The City shall increase maximum allowable densities in the East Bidwell Mixed Use Overlay, SACOG Transit Priority Areas outside the Historic District, and Folsom Plan Area Specific Plan Town Center. In

> implementing this program, the City shall strive to disperse affordable housing opportunities and avoid fair housing issues related to overconcentration. The City shall coordinate with property owners along the East Bidwell Street corridor and within the Transit Priority Areas to identify and pursue residential development opportunities. The City shall review and revise Policy 4.7 of the Folsom Plan Area Specific Plan to increase the total number of dwelling units allowed in the Plan Area to satisfy the RHNA, as long as infrastructure needs are met. In addition, the City shall coordinate with property owners in the Folsom Plan Area to mitigate the loss of lower-income housing sites to market-rate housing.

To implement the 2021-2029 Housing Element Program H-2, the City is in the process of increasing maximum allowed densities and Floor Area Ratios (FARs) in the East Bidwell Mixed Use Overlay, SACOG Transit Priorities Areas, and the Folsom Plan Area Specific Plan (FPASP) Town Center. Additionally, the project includes increasing the total number of allocated residential units in the FPASP to address the city's RHNA. As such, a general plan amendment and associated environmental analysis is required, as well as a FPASP specific plan amendment with environmental analysis.

In June of 2021, the City received $765,000 in grant funding from SACOG to advance the implementation of Program H-2. As part of this grant award, the city hired Opticos to prepare an evaluation of the existing City's multi-family and mixed-use development standards and a market feasibility analysis to inform future density and development standards associated with increased development in the targeted areas. In addition, the bulk of this grant funding was used to hire Ascent Environmental, Inc. (Ascent) to prepare the actual General Plan Amendment, Specific Plan Amendment, and associated technical and environmental analyses to implement Program H-2.

In July 2022, the Planning Commission and City Council held workshops to discuss the results of the Targeted Mixed-use and Multi-family Housing Study (TMMH Study) conducted by Opticos (Attachment 2). At these workshops, staff presented the results of the TMMH Study, as well as proposals for several rezones in the FPASP to create additional affordable housing development opportunities within the FPASP. Based on Opticos' analysis, as well as staff's evaluation of how other communities like Roseville and El Dorado Hills have addressed similar challenges to increase densities, staff developed a number of recommendations that focused on form, size, scale, height, and design rather than on density alone.

Overall, Planning Commission and City Council members supported the concepts presented by staff and Council provided staff with direction to proceed with the necessary analysis to increase densities in the three strategic areas of the city as listed in Table 2:

Table 2

City Council Directed Targeted Increases				
Target Area	Minimum Density	FAR Minimum	FAR Maximum	Height Limit
East Bidwell Corridor	30 du/ac	0.5	1.5	35’ up to 50’ -60’ (60’ for corner elements only)
Iron Point and Glenn Station	30 du/ac	1.0	3.0	35’ up to 60 – 70’ (70’ for corner elements only)
Folsom Town Center	30 du/ac	1.0	3.0	35’ up to 60 – 70’ (70’ for corner elements only)

In addition to increasing allowable densities in the three targeted areas of the City, Program H-2 also prescribes that the City coordinate with landowners in the Folsom Plan Area to mitigate for the loss of lower-income housing sites to market-rate housing. As such, over the last year staff has been meeting with the FPASP landowners and several interested developers to better understand future affordable housing development opportunities within the FPASP and to discuss potential strategies to maintain the City’s RHNA for the current housing element cycle. As a result of these meetings the following measures pertaining to the FPASP have been identified and agreed upon:

1. Amend the FPASP land use designation for Site 2 (10.52 acres) from industrial to multi-family high density to allow for development of up to 400 multi-family housing units.
2. Amend the FPASP to either rezone Site 2 (9.23 acres) from industrial to multi-family high density or rezone Site 15 (13.22 acres) from community commercial to multi-family high density to allow for up to 320 multi-family housing units.
3. Amend the FPASP to rezone Site 233 (11.54 acres) from commercial to mixed-use to allow for development of up to 250 multi-family housing units.
4. Increase the number of dwelling units allocated to the FPASP Town Center from 490 du to 1,250 du, resulting in an increase of 760 du.
5. Increase the number of dwelling units allocated to nine additional multi-family designated sites in the FPASP (outside the Town Center) from 1,258 du to 1,410 du, resulting in an increase of 152.
6. Deed-restrict several parcels to accommodate a minimum of 890 deed-restricted affordable housing units to meet the City’s lower-income RHNA.

Based on the proposed FPASP RHNA strategy summarized above and build out assumptions for the East Bidwell Mixed Use Overlay and SACOG Transit Priorities Areas (along the Glenn/Iron Point light rail stations), staff and Ascent have developed what staff believes to be a realistic buildout capacity that will be used as the basis for the technical analysis and environmental studies necessary for any future amendments to the General Plan, the FPASP, and the Zoning Code as shown in Table 3. The location of where the increased capacity would occur are in Figures 1 and 2 on the following pages. The 2035

General Plan EIR previously assumed approximately 1,000 units of growth primarily along the East Bidwell Corridor. After factoring in that existing development capacity, the net new capacity would be approximately 6,000 housing units. Before staff finalizes these numbers for technical and environmental analysis, staff is asking the City Council to confirm the buildout capacity methodology and the proposed increase to the 2035 General Plan residential buildout.

Table 3

Summary of Increased Residential Buildout Capacity		
Area/Subarea	Target Residential FAR	Increased Capacity
Transit Priority Areas		
1. Iron Point Station	2.0	750
2. Glenn Station	2.0	1,050
East Bidwell Corridor		
3. Central Commercial District	1.5	1,850
4. Creekside District	1.0 - 1.5	450
5. College/Broadstone District	1.5	1,050
Subtotal		5,150
FPASP		
6. Folsom Plan Area		1,882
Overall Capacity		7,032
Existing Capacity (per General Plan EIR)		(1,000)
Net New Capacity		**6,032**

While this is a large increase, this does not mean that these dwelling units will all be built. It is anticipated that if this growth happens it will occur over the remaining horizon of the 2035 General Plan and the FPASP, which envision a buildout over the next 12 to 20 years. Creating this additional residential development capacity satisfies the goals of the General Plan and Housing Element by: 1) creating sufficient capacity to address the City's current RHNA obligations as well as help with future ones; 2) focuses growth in targeted areas and away from established residential neighborhoods; and 3) avoids a situation where the City has to rezone land outside of these targeted areas to satisfy the State's no-net loss requirements.

Staff is asking the Planning Commission to consider and provide input to the City Council. See the sub-area summary and corresponding maps below (Figures 1 and 2), as well as Table 3 for additional details about increased housing capacity by target area.

Figure 1
Location of Targeted Areas and Buildout Assumptions

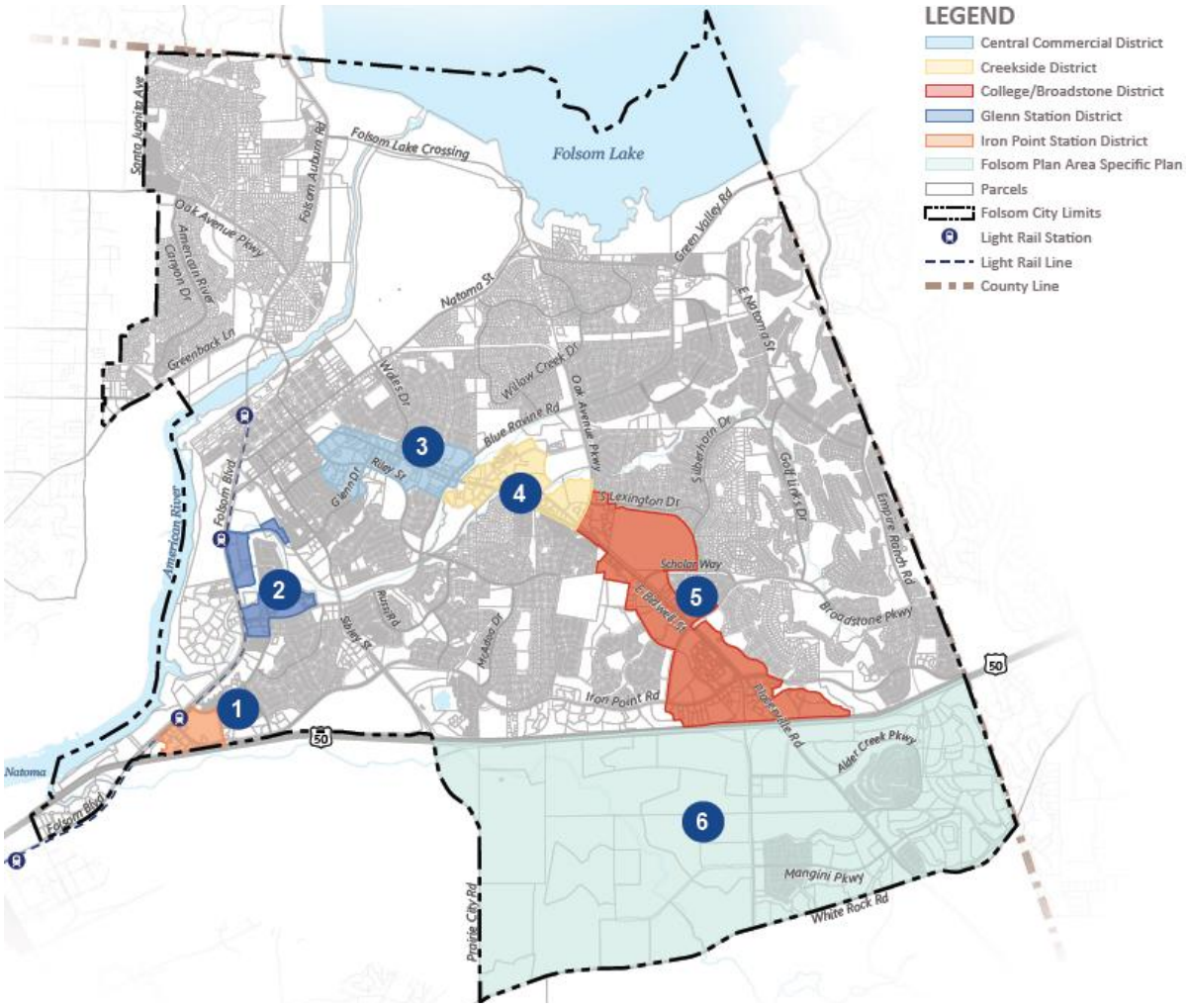
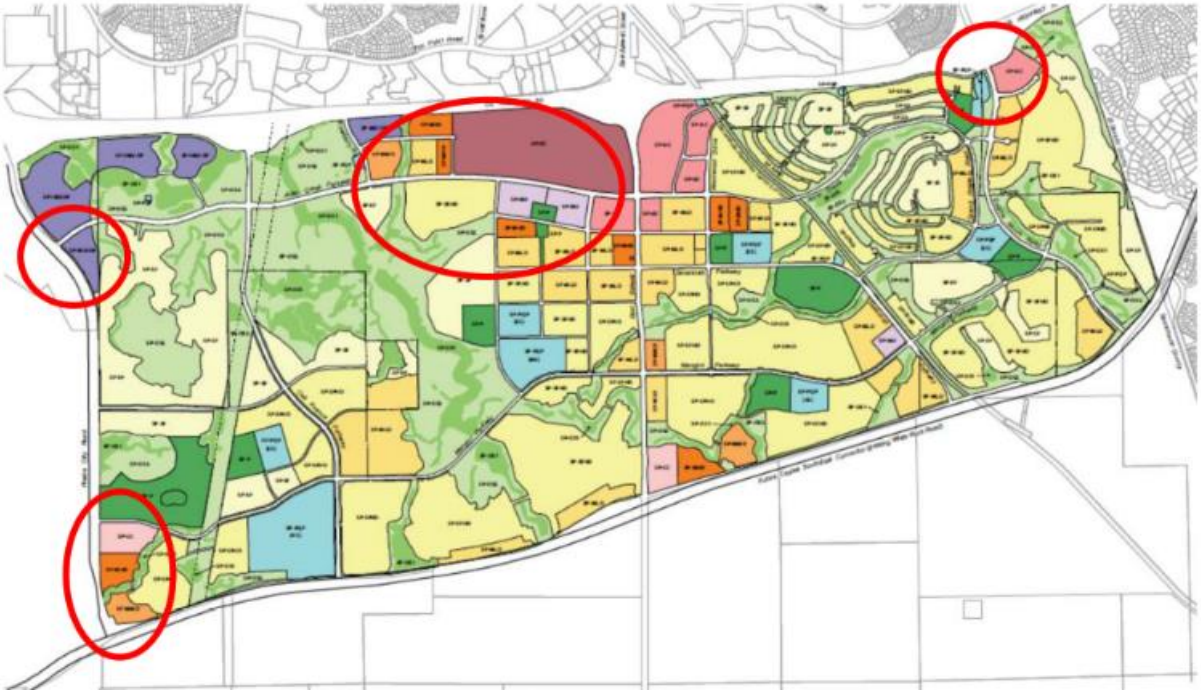


Figure 2
Location of Increased Residential Capacity in Folsom Plan Area



ANALYSIS

Holding Capacity

The 2035 General Plan includes assumptions about the amount of growth that will occur within the 2035 timeframe. These projections were then used to establish a holding capacity that represents an estimate of the total dwelling units, population, and non-residential building square footage associated with the future buildout of the City based on the adopted 2035 General Plan Land Use Diagram. A key assumption in understanding this holding capacity analysis is that it reflects a theoretical buildout of the entire city, rather than what is likely to appear on the ground within the General Plan horizon year of 2035.

The build out model for the 2035 Folsom General Plan was conducted at the parcel level using an inventory of vacant land as the basis for analysis. The analysis was further broken down by the land north of Highway 50 and the land within the FPASP, located south of Highway 50. For the area north of Highway 50, the General Plan also included the East Bidwell Corridor (EBC) Overlay, which encourages mixed-use development along East Bidwell Street. The assumptions applied to parcels within the EBC Overlay largely depended on whether the parcel was vacant or considered underutilized. Underutilized parcels, characterized by aging commercial uses that would be more likely to redevelop within the timeframe of the General Plan, were identified and mixed-use assumptions were applied to those underutilized parcels. It is important to note that the EBC Overlay is the only area that assumed redevelopment of underutilized parcels within the holding capacity analysis; all other parcels in the build out model were vacant. In addition, the holding capacity for the land within the Specific Plan Area was conducted as part of the FPASP preparation and was updated for the General Plan to reflect subsequent land use amendments.

As previously discussed, implementation of Program H-2 will increase allowed densities in three targeted areas of the City: East Bidwell Mixed Use Overlay, SACOG Transit Priorities Areas (primarily along the Glenn/Iron Point light rail stations), and the Folsom Plan Area Specific Plan (FPASP). Thus, a critical component of this project is to identify and then analyze the increased residential holding capacity.

Buildout Assumptions and Analysis for sites North of 50

East Bidwell Street Mixed-use Corridor

For the East Bidwell Street Mixed Use Corridor, City staff and the consultants identified all vacant sites and underutilized sites (housing opportunity sites) within the East Bidwell Street Mixed Use Corridor Overlay, broken down by sub-area (Central Commercial District, Creekside District, and the College and Broadstone District). Although many of these housing opportunity sites were identified as part of the recently adopted Housing Element, additional capacity was identified based on new information provided by City staff and also to account for a longer planning

horizon (Housing Element planning period ends in 2029, whereas the General Plan period is until 2035). For the Central Commercial District where staff and the consultants did not identify any specific sites for future housing development, the buildout assumed was a percentage of the total subarea. The sites were then compiled in a map and land use holding capacity was calculated through a series of formulas that fed parcel-level information through development assumptions including target floor area ratio (FAR) and percentage of site developed or redeveloped.

Iron Point and Glenn Station TOD Areas

For the Iron Point and Glenn Stations, staff and the consultants reviewed arial images for sites within the city's Iron Point and Glenn Station Green Means Go designations to identify vacant and underutilized housing opportunity sites and establish project boundaries for these areas. Within the project boundary area for the Iron Point Station, no specific sites were identified. As such, staff assumed buildout of a percentage of the total area within the boundary. For the Glenn Station boundary area, the only vacant site within the boundary is the Glenn Station parking lot (which is already in the Housing Element vacant sites inventory). The remainder of the housing opportunity sites identified are developed sites characterized by aging commercial uses that could likely redevelop within the timeframe of the General Plan planning period. All of these sites were compiled in a map and the land use holding capacity was calculated through a series of formulas that fed parcel-level information through development assumptions including target floor area ratio (FAR) and percentage of site redeveloped.

Based on the assumptions and analysis for each of the targeted areas North of Highway 50 described above, approximately 4,000 units of additionally holding capacity for housing will be analyzed as the build out model for the 2035 Folsom General Plan

Buildout Assumptions and Analysis for sites South of 50

The FPASP is a comprehensively planned community that proposes new development based on "Smart Growth" principles. Approved in 2011, the FPASP is a development plan for over 3,500 acres of previously undeveloped land located south of U.S. Highway 50, north of White Rock Road, east of Prairie City Road, and west of the Sacramento County/El Dorado County line in the southeastern portion of the City. The FPASP includes a mix of residential, commercial, employment and public uses, and currently includes a maximum of 11,461 residential units at various densities on approximately 1,630 acres. As previously indicated in this staff report, HE Program H-2 directs the city to increase the maximum number of dwelling units allowed in the Plan Area to satisfy the RHNA, as long as infrastructure needs are met.

For the FPASP, the increased holding capacity for development was calculated based on the proposed FPASP RHNA strategy summarized earlier in this report and results in an increased holding capacity of 1,882 residential units as summarized in Table 3. Of the

1,882 units of increased capacity, 970 additional residential units result from rezoning commercial/industrial sites to allow for multi-family development and the remaining 912 unit capacity resulting from increasing the allocated number of residential units on individual multi-family zoned sites in the FPASP. All of this is conditioned upon the outcome of technical and environmental studies to determine whether there is sufficient infrastructure and water resources to support this additional development.

Since the City will be funding the planning, environmental and technical analyses to increase housing in the Folsom Plan Area, the City and landowners will enter into a Memorandum of Understanding (MOU) that memorializes: 1) the City's intention to take the lead on the General Plan and FPASP Amendments and associated environmental analysis to increase housing development capacity, including affordable housing, and to present that to the City Council for action; and 2) the landowner's commitments to deed restrict certain lots for the development of 890 units affordable to lower income households within 30 days of Council action (note: this is in addition to the 64 units to be deed restricted by Eagle for lot 61) and to fund an update by Economic & Planning Systems (EPS) or other consultants to the infrastructure and finance plan related to the increased housing units. As such, staff is in the process of preparing a draft MOU that the City Manager plans to execute later this month.

Finally, it should be noted that the Water Supply Agreement (which has been validated by the courts) provides a total of 5,600-acre feet per year of water to the Folsom Plan Area consistent with Measure W. Based on initial estimates from the 2011 FPASP total water demand for the plan area was at 5,168-acre feet per year. Since that time the 2020 Urban Water Management Plan (UWMP) was completed and determined that water demand for the FPASP is lower at 4,821-acre feet, creating a surplus of approximately 778-acre feet. According to the City's water consultant (PBI), future multi-family housing units in the FPASP will use approximately 0.22-acre feet per year/dwelling unit. If we assume an additional 1,882 multi-family units allocated to the FPASP, an additional 414-acre feet would be required leaving a surplus of 364-acre feet. The additional housing capacity will be subject to a more detailed and precise water supply and CEQA analysis.

Regional Housing Needs Allocation Status

Table C-41 from the Housing Element (HE) Background Report summarizes the estimated residential capacity compared to the RHNA by income level at the time of Housing Element Adoption on August 24, 2021.

TABLE C-41: ESTIMATED RESIDENTIAL CAPACITY COMPARED TO RHNA BY INCOME, CITY OF FOLSOM, JUNE 30, 2021 TO AUGUST 31, 2029

	Very Low-Income Units	Low-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units
RHNA	**2,226**	**1,341**	**829**	**1,967**	**6,363**
	3,567				
Planned and Approved Projects	129	216	1,209	3,815	**5,369**
Estimated Residential Capacity on Vacant and Underutilized Land	3,216		2,666	2,537	**8,419**
East Bidwell Mixed Use Corridor Sites	1,236		0	0	**1,236**
Transit Priority Area Sites	145		44	10	**199**
Folsom Plan Area Specific Plan Sites	1,344		2,615	2,190	**6,149**
Additional Housing Sites	491		7	337	**835**
Estimated Residential Capacity of Accessory Dwelling Units and Multi-Generational Units	496		83	2	**581**
Residential Capacity	**4,057**		**3,958**	**6,354**	**14,369**
Surplus	*490*		*3,129*	*4,387*	

Source: City of Folsom, and Ascent, 2020.

As shown in the table, at the time of HE adoption the City was able to identify sufficient sites for future housing growth, including sites for affordable development with a surplus (buffer) of zoned land assumed to accommodate 490 lower income units. However, given current and anticipated development applications for market rate and non-residential development on multi-family and mixed-use sites, staff estimates that most of the buffer capacity will be gone by the end of the current calendar year. Table 4 provides a summary of our projected lower-income RHNA capacity anticipated over the next 6-months. As shown, staff anticipates that our surplus will shrink from 490 units to 231 by the end of the year. Based on State “no net loss” law, it is the City’s responsibility to maintain adequate zoned sites with corresponding housing capacity to meet the City’s housing needs at all times for the eight-year housing cycle.

Table 4

Summary 2023 Projects on Multi-family or Mixed-Use Sites		
Lower Income Residential Holding Capacity Compared to RHNA		
HE Low and Very Low Capacity	**4,057**	
Vintage Senior Apts Site	+ 135	BP zone not included in RHNA
Harrington Sites	+ 53	Previous Project Withdrawn 1.95 ac
Creekside Sites	(150)	Active Application
Habitat Persifer Site	+ 10	Not Included in Housing Element
Kaiser Site	(37)	Active Application Reducing Acreage
Elliott Broadstone Site	(270)	Application Expected Soon
New Capacity	**3,565**	
HE Lower RHNA Required	**3,567**	
Surplus	**231**	

CONCLUSION

In order to comply with State housing requirements and regional housing allocations for the current eight-year cycle, the City must increase housing capacity to meet lower income housing needs. As outlined in Housing Element Program H-2, the City will do this by strategically increasing maximum density in targeted areas of the City and by increasing the total number of multi-family and mixed-use housing units in the Folsom Plan Area Specific Plan south of Highway 50. The grant funded consultant study analyzed market feasibility and appropriate designs in those target areas (Attachment 2). Community input and Council direction in 2022 informed the increased development parameters for each target area.

Based on the results of the Targeted Housing Study and discussions with the FPASP landowners, staff have been able to quantify the projected increased density of existing housing sites (multi-family and mixed-use) in target areas and identify additional housing sites in the Folsom Plan Area to establish buildout assumptions and capacity that will be used as the basis for the technical studies and environmental review. Table 3 summarizes the buildout assumptions (proposed housing buildout capacity) through 2035 for each of the targeted areas identified in Housing Element Program H-2.

With input from the Planning Commission and direction from City Council on the buildout assumptions and additional housing capacity outlined herein, staff and the consultant

team will move forward with the technical and environmental studies necessary for any future amendments to the General Plan and Folsom Plan Area Specific Plan. This information will also be incorporated into the Zoning Code update that is currently underway. It is anticipated that these detailed studies will take between six to nine months to complete, at which time staff will return to the Commission and Council for action.

POLICY/RULE

The City's 2021-2029 Housing Element was approved by the City Council on August 24, 2021. That document includes several policies that relate directly to the issues discussed in this staff report. These include:

- **Policy H-1.1 Sufficient Land for Housing:** The City shall ensure that sufficient land is designated and zoned in a range of residential densities to accommodate the City's regional share of housing.

- **Policy H-1.2 Location of Higher-Density Housing Sites:** The City shall endeavor to designate future sites for higher-density housing near transit stops, commercial services, employment centers, and schools, where appropriate and feasible.

- **Policy H-1.3 Multi-family Housing Densities:** The City shall encourage home builders to develop their projects on multi-family-designated land at the high end of the applicable density range.

- **Policy H-1.4 Lower-Income Housing Replacement Sites:** The City shall mitigate the loss of lower-income housing sites within the Folsom Plan Area by securing voluntary agreements with the landowners to find replacement sites as market-rate housing is developed on sites identified in the lower-income sites inventory.

- **Policy H-3.2 Inclusionary Housing:** The City shall continue to require inclusionary housing on all new for-sale units. The City may also consider inclusionary housing as a community benefit for non-City-initiated General Plan and/or Specific Plan amendments that result in rental housing.

- **Policy H-3.6 Density Bonus:** The City shall continue to make density bonuses available to affordable and senior housing projects, consistent with State law and Title 17 of the Folsom Municipal Code.

- **Policy H-6.3 Balance of Housing Types:** The City shall encourage residential projects affordable to a mix of household incomes and disperse affordable housing projects throughout the city, including the Folsom Plan Area, to achieve a balance of housing in all neighborhoods and communities.

ENVIRONMENTAL REVIEW

The review and input by the Planning Commission is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the California Public Resources Code as there is no possibility that the meeting to confirm the project description will have a significant effect on the environment. Once direction is provided by the City Council on the appropriate buildout capacity, the City will undertake an environmental analysis in compliance with CEQA to determine whether the changes, including amendments to the General Plan and Folsom Plan Area Specific Plan, would have a significant effect on the environment.

RECOMMENDATION/PLANNING COMMISSION ACTION

Review and comment. Please review the material presented in the staff report and accompanying memo from Ascent and provide input to staff to be shared with the City Council later this month.

ATTACHMENTS

1. Ascent Housing Element Implementation: Proposed Residential Capacity Increase Memo dated March 6, 2023
2. Opticos Targeted Mixed Use and Multi-family Housing Study and Recommendations Memo dated June 28, 2022

Attachment 1

Ascent Housing Element Implementation: Proposed Residential Capacity Increase Memo dated March 6, 2023

Memo

455 Capitol Mall, Suite 300
Sacramento, CA 95814
916.444.7301

Date: March 6, 2023

To: Pam Johns, City of Folsom, Community Development Director

From: Chelsey Payne, AICP, Director of Urban Planning

Subject: **Housing Element Implementation: Proposed Residential Capacity Increase**

For the Sixth Cycle Housing Element, the City was assigned a Regional Housing Needs Allocation (RHNA) of 6,363 housing units, including 3,567 lower-income housing units (i.e., very low- and low-income units combined) for the eight-year planning period (Table 1). When the City adopted the Housing Element in August 2021, the City only had a surplus capacity of 490 housing units in the lower-income category. A State law referred to as "no net loss" law requires the City to track development on the sites in the Housing Element sites inventory and maintain adequate capacity to meet the RHNA throughout the entire Housing Element planning period. As market rate developments are approved on sites included in the lower-income sites inventory, these sites are essentially lost from the lower-income inventory. The City must make a finding that it has adequate capacity on the remaining sites in the inventory to accommodate the remaining lower-income RHNA or must identify a replacement site within 180 days.

TABLE 1: REGIONAL HOUSING NEEDS ALLOCATION, CITY OF FOLSOM, JUNE 30, 2021 TO AUGUST 31, 2029

	Very Low	Low	Moderate	Above Moderate	Total
RHNA	2,226	1,341	829	1,967	6,363

Source: Sacramento Area Council of Governments, Regional Housing Needs Plan 2021-2029 (February 2020).

Recognizing that the City would need to take action during the planning period to increase lower-income housing capacity in order to address no net loss requirements, the City included Housing Element program H-2 (Create Additional Lower-income Housing Capacity), which committed to increasing densities in the East Bidwell Mixed Use Overlay, Transit Priority Areas, and the Folsom Plan Area Specific Plan Town Center.

City staff has been working with consultants at Opticos and Ascent to develop recommendations for new development standards that would allow for increased residential capacity in the East Bidwell Mixed Use Overlay and Transit Priority Areas. City staff has also been in conversations with property owners and developers within the Folsom Plan Area Specific Plan about land use changes that would add capacity to the lower-income sites inventory. City staff and Ascent have prepared estimates for the housing unit capacity that would be created in the longer-term with the proposed changes. The buildout estimates of 5,150 housing units in the areas shown in Table 2 are theoretical and assume that all vacant land and a certain amount of non-vacant land within each of the focus areas would redevelop in the longer-term with new housing. For context, the 2035 General Plan assumed about 1,000 housing units in these areas by 2035. The new estimates assume that several vacant sites will develop with housing or mixed-use rather than solely commercial and that some existing non-residential uses will redevelop with housing. In the Folsom Plan Area, the proposed land use changes would allow for an additional 1,882 housing units, including capacity for almost 1,000 affordable units.

TABLE 2: ESTIMATED HOUSING UNIT CAPACITY IN TOD AREAS AND EBMU OVERLAY

Area	Sub-Area	Target Residential FAR	Estimated Housing Unit Yield
Transit Priority Areas	Iron Point Station District	2.0	750
	Glenn Station District	2.0	1,050
East Bidwell Mixed Use Overlay	Central Commercial District	1.5	1,850
	Creekside District	1.0 – 1.5	450
	College/Broadstone District	1.5	1,050
Subtotal			*5,150*
Folsom Plan Area Specific Plan			+1,882
Total			**7,032**

The City cannot credit the full estimated housing unit capacity toward the Housing Element because State law only allows the City to include sites in the inventory that can be proven feasible to develop during the 8-year planning period (i.e., by 2029). Many of the sites included in the housing unit capacity shown in Table 2 are developed with existing uses and do not have redevelopment potential in the near-term. However, the proposed increase in capacity will help the City address the current "no net loss" issues during the Sixth Cycle RHNA period and set the City up for success in the next Housing Element RHNA cycle.

By increasing residential capacities in the East Bidwell Mixed Use Overlay and Transit Priority Areas, the City will be able to count a slight increase in capacity on the sites already included in the Sixth Cycle Housing Element lower-income housing sites inventory. HCD requires that the Housing Element sites inventory capacity be calculated using either the minimum density or a realistic density reflective of the typical densities of existing or approved residential developments without the use of State Density Bonus. Because the allowed density range on R4-zoned sites and sites within the East Bidwell Mixed Use Overlay is currently 20 to 30 units per acre, recent developments

have been built at densities lower than the maximum of 30 units per acre. The realistic density that the City was able to justify on lower-income sites in the Housing Element was 27 units per acre.

City staff is proposing to set the minimum density of the East Bidwell Mixed Use Overlay zone and the Transit Oriented Development Overlay zone to 30 units per acre and allow a higher maximum density regulated through floor area ratio (FAR). The City would then be able to rely on this new minimum density of 30 units per acre to calculate capacity on lower-income housing sites in these areas. In the immediate-term, establishing the minimum density of 30 units per acre will add capacity for about 75 housing units on existing lower-income sites in the inventory within these areas. However, by changing the density and establishing development standards that allow for more housing units, the City is increasing the feasibility of affordable housing on these sites. As the sites are developed with affordable housing at densities above the minimum density, the City will be able to credit significantly more units on each of the sites, helping to greatly minimize no net loss issues during the planning period and reducing the likelihood that the City would need to rezone additional sites in other areas of the City.

While the proposed changes will help the City address housing needs in the current Housing Element Cycle, the changes will also put the City in a much better position for Housing Element compliance into the future. In the longer term, as developments are approved at densities higher than 30 units per acre, the City will be able to demonstrate a higher realistic density, which will allow the City to count additional capacity on these lower-income sites in the next Housing Element cycle. This could significantly reduce the number of sites the City will need to rezone to higher density housing in future Housing Element cycles.

Overall, the proposed land use changes will help the City maintain the current Housing Element in compliance with State law and set the City up for success in achieving compliance during future Housing Element cycles.

Attachment 2

Opticos Targeted Mixed Use and Multi-family Housing Study and Recommendations Memo dated June 28, 2022

Recommendations Memo

City of Folsom

Targeted Mixed-Use and Multi-Family Housing Study

June 28, 2022

CITY OF FOLSOM
DISTINCTIVE BY NATURE

OPTICOS

Prepared For:

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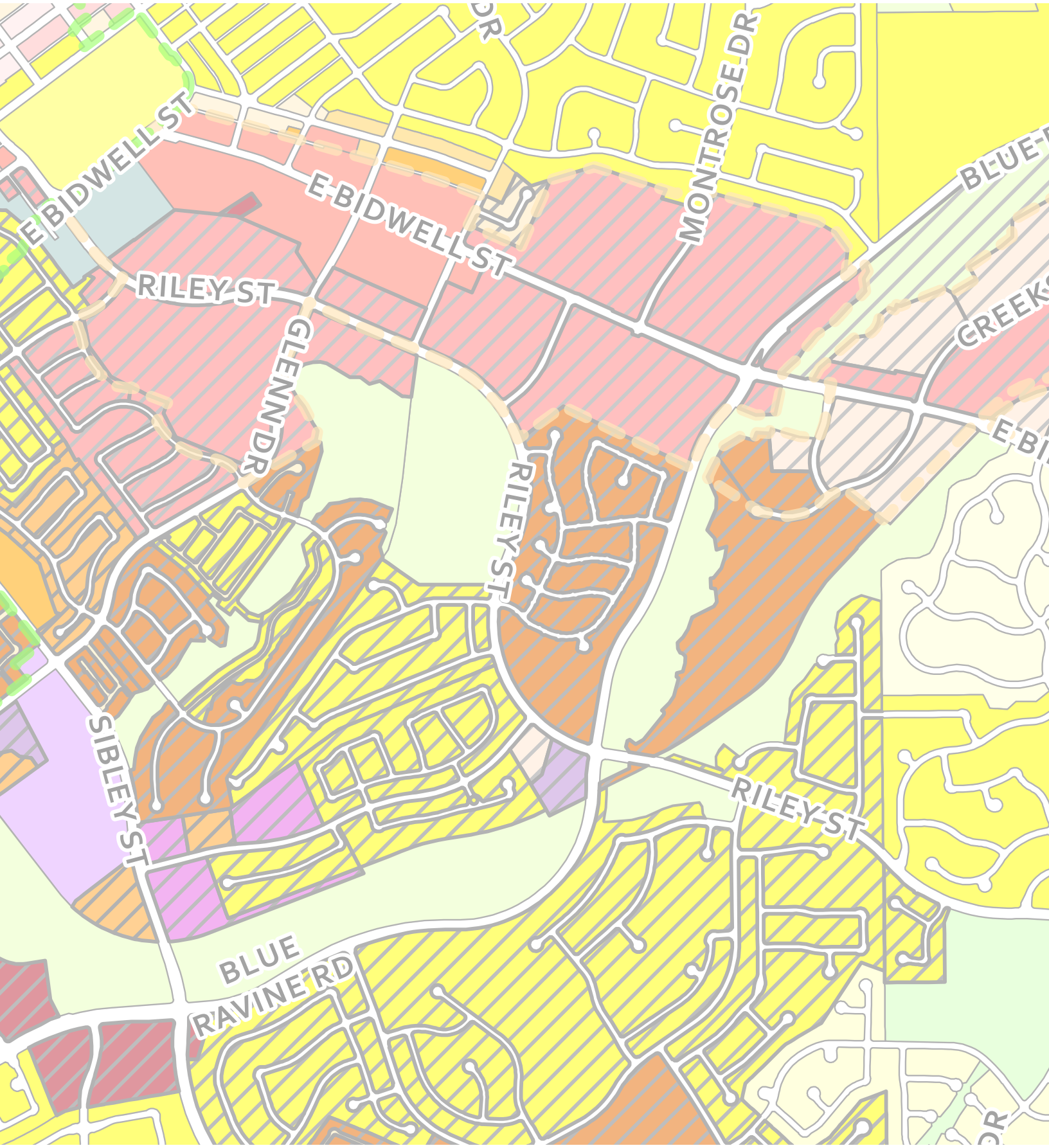
What's Inside?

Recommendations Memo


E BIDWELL ST
E BIDWELL ST
MONTROSE DR
RILEY ST
GLENN DR
RILEY ST
SIBLEY ST
RILEY ST
BLUE RAVINE RD

Background

SECTION 1

Folsom needs to provide more housing opportunities.

The State of California has identified the number of housing units that Folsom needs to provide through its Regional Housing Needs Allocation (RHNA), and Folsom needs to plan for that growth. As a result, it is imperative that Folsom change the status quo in order to create additional opportunities for housing. This challenge raises a series of questions:

- Where should additional housing opportunities be located?
- What kind of housing should be built?
- How should these additional housing opportunities be enabled?

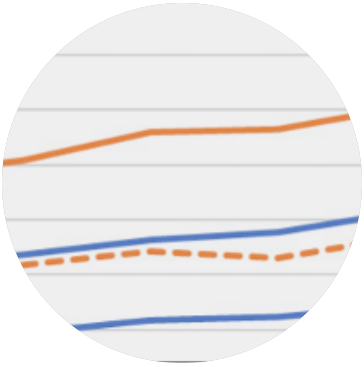
Folsom needs an approach that can target particular locations that are best suited to accommodate additional housing and can incorporate community input on the form and scale of the new development in a way that makes the development financially feasible.

In setting the parameters for this study, the City has identified targeted study areas that are well-suited for additional housing. Within these targeted study areas, this memo addresses the remaining two questions, using community input and financial feasibility analysis to identify the preferred form and scale of new development at those locations (see Section 2, Opportunity Site Testing), and issuing recommendations for changes to existing development standards to enable this additional housing (see Section 3, Recommendations).

Key Issues

These issues convey the urgency of providing new housing in Folsom and barriers to meeting this need.

1



High housing demand with limited housing stock results in unaffordability for children of longtime residents, seniors who want to downsize or who don't drive as often, and people who work in Folsom.

2

Folsom's housing supply doesn't provide enough **options for diverse lifestyles**, including for residents who want to live a **compact, walkable and transit-oriented lifestyle.**

3

One of the barriers to the production of diverse housing options is **regulatory standards** that end up making a site **infeasible to develop as housing or that result in unattractive development.**

Targeted Study Areas

This study provides recommendations for three targeted study areas within Folsom.

This project provides recommendations for changes to development standards, General Plan policies, and zoning regulations in targeted areas that can help to support infill housing in Folsom.

Recommendations will be tailored to three general areas, which have been identified by the City as best suited to accommodate new housing.

- **The East Bidwell Mixed-Use Overlay Zone** along the East Bidwell corridor. With existing retail and service uses along this corridor, new infill housing would create a mixed-use environment where residents could have easy access to services, shopping, and jobs within walking distance of their homes. This new infill housing would also benefit from the planned improvements to the East Bidwell right-of-way.
- **The Folsom Boulevard TOD study area*** along Folsom Boulevard. This area encompasses two light rail stations, Glenn Station and Iron Point, as well as the Folsom Parkway Rail Trail. As a result, housing in this location would have easy access to transit and bicycle infrastructure and offer built-in mobility alternatives for people interested in a less car-dependent lifestyle.
- **The New Town Center in the Folsom Plan Area** south of US-50. Planned through a Specific Plan process that included community engagement, this location is slated for new mixed-use and multi-family development that will create housing opportunities at a new node of retail, service, and public space.

*Note that the Historic District light rail station is excluded from this study.

Key

- East Bidwell Mixed-Use Overlay Zone
- Folsom Boulevard TOD study area
- Folsom Plan Area's New Town Center

SECTION

2

Opportunity Site Testing

Opportunity site testing analyzes the housing capacity of actual sites on the ground. This study tested hypothetical buildout concepts on a site in each of the three targeted study areas where the City envisions opportunities for more housing.

The potential buildout scenarios were informed by community feedback about preferred building form, building scale, and key design elements received at a public workshop and through an online survey.

After beginning with the community's desired vision, these hypothetical buildout concepts were then subject to multiple iterations of financial feasibility analysis in order to understand what conditions are necessary to make these projects feasible at these locations and arrive at a prototype in the realm of financial viability.

Because the sample designs plan for long-term value and livability, they may not always reach the theoretical maximum capacity of a site. However, they are representative of a desirable development approach that creates a place where people want to live.

Site 1
Snowline Hospice Thrift Store
Overview

Address
616 E. Bidwell St.

Targeted study area
East Bidwell Mixed-Use Overlay Zone

Current site condition
Single-story retail building

Site dimensions
170 ft wide x 350 ft deep

Existing Conditions

This is a deep lot bounded by East Bidwell Street in the front and an alley in the rear. It is surrounded on both sides by multi-tenant retail centers. Multi-family residential buildings are located directly behind the site across the rear alley. There is one single-story retail building onsite containing the Snowline Hospice Thrift Store.

What We Heard From The Community

Community members expressed that a height of three to four stories felt about right for this location. There was also some support for taller development on corner sites, such as up to five stories.

Given the scale and character of the East Bidwell corridor, it was also important to the community to explore ways to make the buildings look and feel smaller, with small to medium width and bulk.

Vision

The design concept for this site includes two courtyard buildings. One courtyard building, in the center of the rendering on the next page, faces East Bidwell. The second courtyard building is located in the rear half of the lot. The second courtyard building is nearly identical to the first, but is rotated ninety degrees to face a new pedestrian passage along the side lot line, visible on the left side of the rendering.

Parking for this project would be located behind these buildings in both surface parking lots and tuck-under spaces at the ground floor of the building.

Common open space in the form of courtyards would be accessed directly from the sidewalk. Additional open space would take the form of the tree-lined pedestrian passage pictured on the left of the rendering, which leads from East Bidwell Street to the rear courtyard and finally to the alley at the rear of the site.

Design Concept + Site Testing Outcome

Left: View looking across East Bidwell Street towards the opportunity site.

Below: Rendering depicting the design vision for this site looking across East Bidwell Street towards the opportunity site. Note that this rendering is illustrative only. It represents hypothetical build-outs used to calculate potential new housing and does not represent an actual development proposal.

Above: Conceptual site plan. Arrow indicates vantage point for perspective rendering.

Site Test Assumptions + Yields	
# of Units (du)	82
# of Buildings	2
Bldg type	Courtyard
Height (stories)	3-4
Bldg width (ft)	140
Bldg depth (ft)	100
Density (du/ac)	59
FAR	1.0
Parking (sp/du)	1.0
Parking type	Surface + tuck-under
Front setback (ft)	15
Lot width (ft)	170
Lot depth (ft)	350
Lot area (ac)	1.4

Architectural Style

The two renderings below illustrate how the design vision for this site could be expressed in two different architectural styles.

The top image represents a contemporary architectural style, while the bottom image represents a more traditional architectural style. Both images depict the same building types, building configurations, building scale, and building program. The difference is in the exterior architectural expression which conveys the building in a particular style.

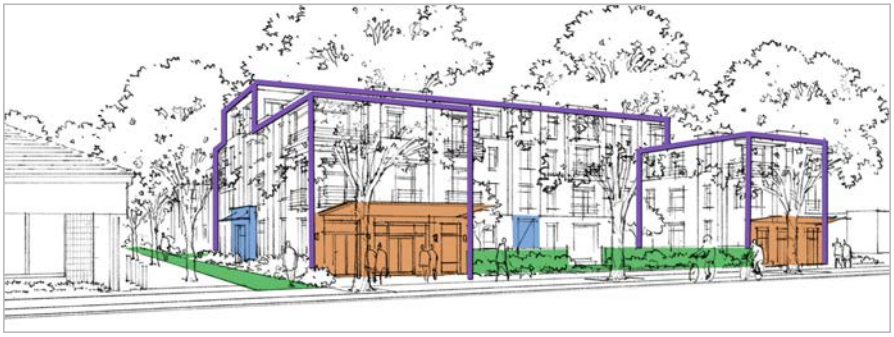
If there are certain locations where particular architectural styles are important to the community, the City can consider opportunities to incorporate architectural style standards into future design standards for those areas.

Upper image: Buildings on this site expressed in a contemporary architectural style

Lower image: Buildings on this site expressed in a traditional architectural style

Key Design Elements

Regardless of architectural style, there are aspects of the two example designs that accomplish the same design goals through key design elements. These design elements can be considered and regulated independent of architectural style and are important for ensuring that development will make positive contributions to the public realm.



Design Elements

- **Open space** creates a buffer between the public realm and individual unit entries and provides an amenity for residents
- **Pedestrian entries** to individual units and to shared stairwells open directly onto the courtyard and onto the pedestrian passage
- **Shopfront frontages** oriented towards East Bidwell Street could provide amenities to residents or could provide leasable service or retail space
- **Upper story is located within the roof form** to reduce the perceived height of the building
- **Building height steps down** from four stories in the rear down to three stories in the wings that project towards the street to reduce the perceived scale

Upper image: Key design elements highlighted on a building that has a contemporary architectural style

Lower image: Many of the same key design elements highlighted on a building that has a traditional architectural style

Key Regulatory Barriers

Parking standards. Currently, the site requires 1.5 spaces per unit. The design concept tested for this opportunity site provides 1.0 spaces per unit.

Density. The prototype tested 59 du/acre for feasibility, exceeding the current maximum of 30 du/acre.

Site 2
Glenn Station Park-and-Ride Lot
Overview

Address
1025 Glenn Dr.

Targeted study area
Folsom Boulevard TOD study area

Current site condition
Park-and-ride parking lot serving light rail station

Site dimensions
315 ft wide x 370 ft deep

Existing Conditions

This site is adjacent to Glenn Station, a stop on the Gold Line of the Sacramento Regional Transit (SacRT) light rail that connects Folsom to downtown Sacramento. The light rail runs along the western edge of the site, as does the Folsom Parkway Rail Trail. The site is used as a park-and-ride surface parking lot for people using the light rail.

What We Heard From The Community

The community expressed support for more intense development at this location given its adjacency to a light rail station. In general, we heard that five stories felt about right for this location. Community members were also open to buildings that felt and looked large in width and bulk.

The community also expressed interest in exploring additional design guidelines for this location in order to make larger buildings attractive and also transition in scale to adjacent lower-scale development. It is also important to the community and to SacRT to accommodate parking for the light rail users, whether onsite or on an adjacent parcel, when this site is redeveloped.

Vision

The design concept for this site includes one four-story building and two five-story podium buildings. These are arranged to create a common open space at the entrance to the station and a public pedestrian paseo leading through the site from the station to a potential parking lot across Coolidge Drive. These three buildings accommodate 305 units and 1,500 square feet of commercial space. The commercial space could be used for an amenity that serves residents, such as a day care.

Design Concept + Site Testing Outcome

Left: View looking from the station pavilion east across the parking lot at the existing opportunity site.

Below: Rendering depicting the design vision for this site looking from the station pavilion east across the parking lot. The rail line is behind the vantage point. Note that this rendering is illustrative only. It represents hypothetical build-outs used to calculate potential new housing and does not represent an actual development proposal.

Above: Conceptual site plan. Arrow indicates vantage point for perspective rendering.

Site Test Assumptions + Yields	
# of Units (du)	305
# of Buildings	3
Bldg type	Podium and corridor
Height (stories)	4-5
Bldg width (ft)	Range from 90-200
Bldg depth (ft)	Range from 60-280
Density (du/ac)	112
FAR	2.0
Parking (sp/du)	1.1
Parking type	Podium and tuck-under
Front setback (ft)	10
Lot width (ft)	315
Lot depth (ft)	370
Lot area (ac)	2.7

Key Design Elements

Design Elements

- **Open space** in the form of a green or plaza provides a gathering space at the station entrance, and a public pedestrian paseo leads through the site towards public parking across the street
- **Pedestrian entries** to individual units and to shared stairwells open directly onto public space
- **Corner element** near the entrance to the station anchors the public open space
- **Shopfront frontage** facing public open space could provide amenities to residents or could provide leasable service or retail space
- **Upper story is located within the roof form** to reduce the perceived height of the building
- **Massing breaks down perceived bulk** by designing recesses in the wall plane and variations on style and material so that one large building actually reads as several smaller buildings
- **Upper story stepback** with the top story set back 10 feet behind the facade plane to reduce perceived height from the pedestrian paseo

Key Regulatory Barriers

In testing development standards for this site, the following standards were found to be key barriers to development that both satisfied the community's preferred form and scale and also demonstrated financial feasibility.

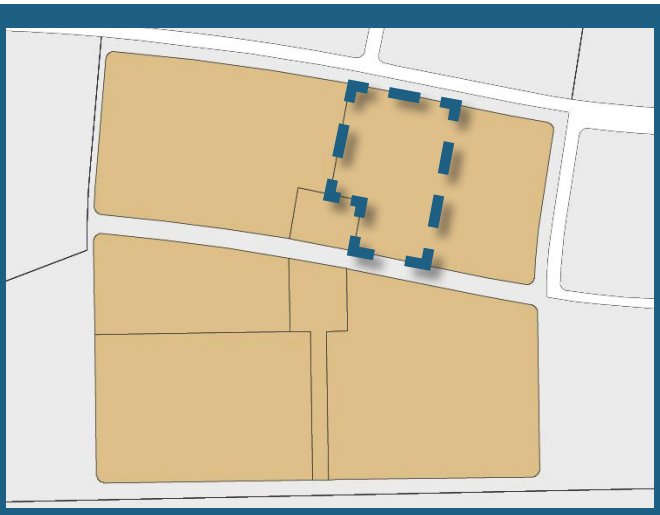
Building height. Currently, this site allows building height up to 4 stories. The design concept depicted for this opportunity site shows buildings that could range from 4 stories to 5 stories in different areas of the site.

Setbacks. Currently, the site requires a 20 ft minimum front setback and a 15 ft minimum side street setback. The design concept depicted for this site shows 10 ft front and side street setbacks.

Parking standards. Currently, the site requires 1.5 to 2.5 spaces per unit, depending on unit size. The design concept depicted for this opportunity site provides 1.1 spaces per unit.

Density. Currently this site allows up to 30 du/acre. The design concept depicted for this site shows 112 du/acre.

Site 3
Block in New Town Center
Overview



Address
One hypothetical block within the New Town Center

Study area
Folsom Plan Area New Town Center

Current site condition
Undeveloped land

Site dimensions
380 ft wide x 620 ft deep

Existing Conditions

This site is currently undeveloped land in the Folsom Plan Area. Development is completed or underway for neighborhoods in other parts of the Folsom Plan Area, but the New Town Center is unbuilt. It is anticipated that this site will be made available for development in the near future.

What We Heard From The Community

In the Folsom Plan Area Specific Plan, this site was envisioned as a walkable, mixed-use town core for the Folsom Plan Area.

The community reiterated these desires in outreach for the present study and also expressed preference for a mix of scales, three stories up to six stories in height and medium in bulk, and making sure to transition in scale from a higher intensity at the town center's core to a lower intensity at the edges where it interfaces with surrounding residential neighborhoods.

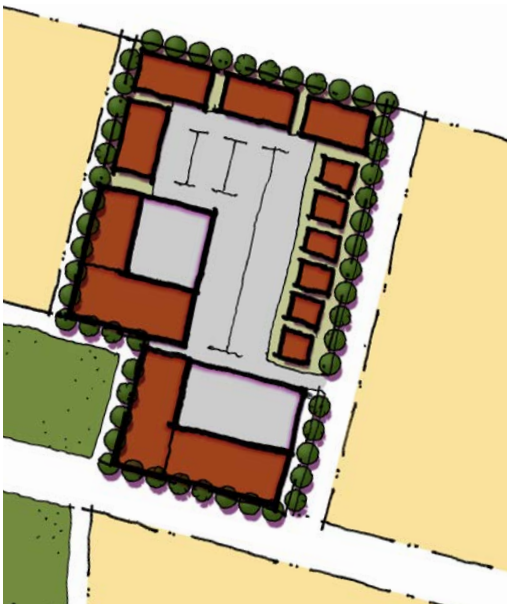
Vision

The New Town Center envisioned in the Specific Plan is composed of a series of medium to large-scale mixed-use buildings oriented around a public plaza or square.

The hypothetical block that was tested as part of the feasibility analysis for this study included mixed-use podium buildings up to six stories in height, multi-family corridor apartment buildings, and smaller surface-parked multi-family buildings.

Design Concept + Site Testing Outcome

Below and left: Renderings from the Folsom Plan Area Specific Plan depicting design concepts for the New Town Center area. Note that these renderings are illustrative only. They represent hypothetical build-outs and do not represent an actual development proposal.



Above: Conceptual site plan developed for site testing

Site Test Assumptions + Yields	
# of Units (du)	439
Retail area (sf)	78,000
# of Buildings	12
Bldg type	Podium, corridor, multiplex
Height (stories)	3 to 6
Bldg width (ft)	Ranges from 40 to 250
Bldg depth (ft)	Ranges from 60 to 240
Density (du/ac)	90
FAR	1.8
Parking (sp/du)	1.1 + 1 per 1,000 sf retail
Parking type	Podium and surface
Front setback (ft)	5-15
Lot width (ft)	380
Lot depth (ft)	620
Lot area (ac)	4.9

Key Design Elements

Design Elements

Architectural projections like balconies, awnings, and eaves create focal points of visual interest

Corner elements like facade expression that wraps around corners

Massing breaks down perceived bulk by designing recesses in the wall plane so that one large building actually reads as several smaller buildings

Pedestrian entries to individual residential units and to shared stairwells open directly onto the sidewalk or public space with frontages that transition from the building entries to the pedestrian realm

Key Regulatory Barriers

In testing development standards for this site, the following standards were found to be key barriers to development that both satisfied the community's preferred form and scale and also demonstrated financial feasibility.

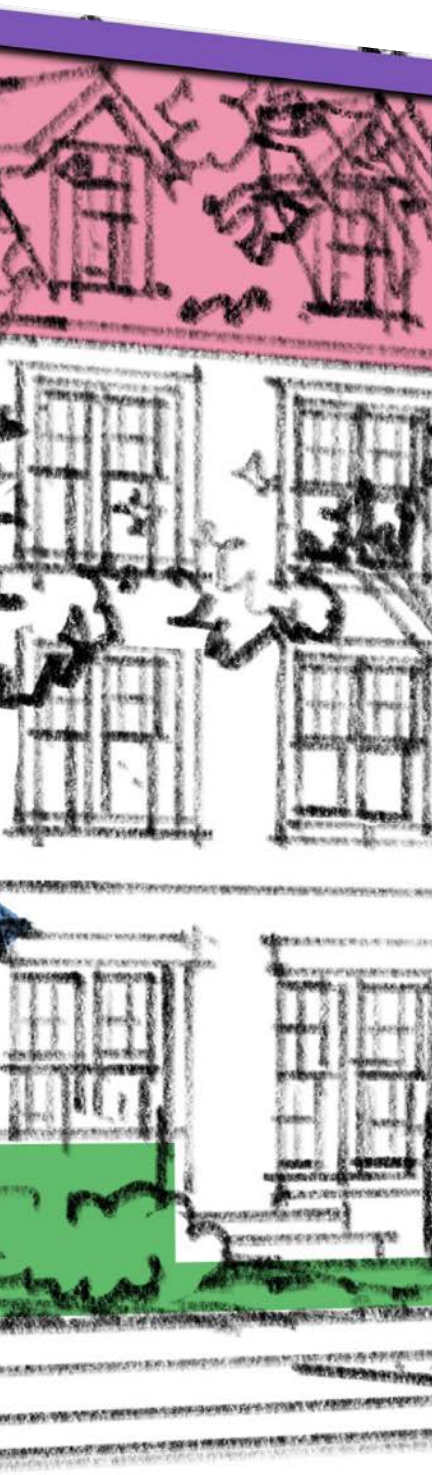
Building height. Some of the images shared here, which were developed as part of the Folsom Plan Area Specific Plan, show buildings up to approximately 70 feet in height. Currently, the maximum building height allowed by the Specific Plan development standards is 50 feet.

Parking standards. Currently, residential parking requirements are between 1.5 and 2.5 spaces per unit, depending on unit size, and the commercial parking requirement is 3 spaces per 1,000 square feet. What this study evaluated for purposes of feasibility testing was 1.1 spaces per residential unit and 1 space per 1,000 square feet of commercial space.

Density. Currently, this site has a maximum density of 30 du/acre. The design concept evaluated for purposes of feasibility had 90 du/acre.

Recommendations

SECTION 3



The recommendations in this section can help promote a predictable built outcome that is aligned with the community's vision for housing in these locations.

Folsom needs to provide more housing and more diverse types of housing to meet the housing needs of its residents. Development standards for mixed-use and multi-family housing, if regulated carefully, can promote more housing that is consistent with the desired character of the community.

Current regulations are not creating the housing diversity needed to serve the current and future needs of Folsom. In order to meet these needs, it is important to understand what targeted changes will be most impactful to unlocking opportunities for infill housing in these priority locations.

Overview of Key Standards

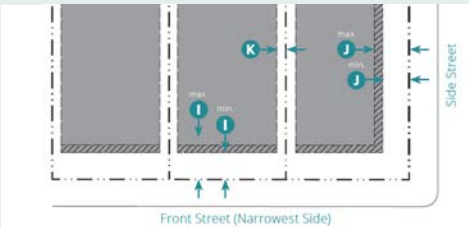
Regulatory standards help to shape development outcomes. Some of the key regulatory standards that will factor into recommendations are introduced here.

Key Standards for Built Form

Building Placement

Building placement standards regulate where buildings are situated on a lot. These regulations are frequently expressed as minimum setbacks, although build-to lines are a preferable regulatory tool to produce predictable built results.

Right: This diagram presents the concept of a build-to line. A build-to line is a line parallel to a property line or right-of-way where a building façade must be placed. Build-to lines help ensure that building fronts are placed close enough to the street or sidewalk to create a pedestrian-oriented environment.



Build-to line expressed as a min. and max. range. The building facade must be placed within this area and cannot be set back behind this range.

Building Height

Building height can be regulated by number of stories, overall height, or both.

Massing and Articulation

The composition of building volumes and facades helps enliven the streetscape, helping people orient themselves and creating a more comfortable experience for pedestrians navigating the space. Standards for massing and articulation can include regulations for facade composition, patterns of openings, and corner elements.

This group of standards also includes strategies to reduce the perception of building scale and bulk and is frequently utilized to help new development relate to existing context. Strategies include upper-story stepbacks that require the facade to step back from the built-to line at upper stories, and facade articulation that may require a break in the wall plane after a maximum distance of unbroken facade.

Building Types

Buildings can be categorized according to their physical form. While certain uses or functions may be typical of certain building types, uses are not a primary determinant of building type. Different building types are appropriate for different contexts and site conditions, depending on lot dimensions, resident preferences, market conditions, and the nature of the adjacent street.

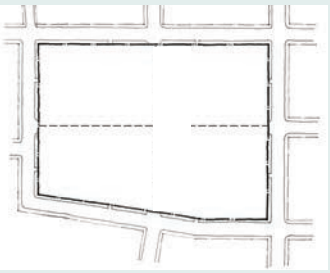
Regulating by building types creates more predictability in form and scale, and context-sensitive development. Each of the targeted study areas can allow a range of different building types that respond to existing contexts.

Parking Location

Although parking location does not directly impact the production of housing, regulating the location of parking is critical to creating the desired built environment. It is recommended to require the parking in the rear of the lot or at least behind a habitable ground floor whenever feasible, to encourage buildings closer to the sidewalk, creating a more active, more pedestrian-friendly, and safer environment.

Standards for Large Sites

For lots larger than 3 acres and longer than approximately 750 linear feet along a street, standards should require the creation of new streets and blocks to fit better into the existing context. This will avoid so-called "superblock" developments that are typically inward-facing and do not support walkability, livability, or safety.



Existing large lot

Existing large lot subdivided into four blocks, new streets and open space

Resulting development provides with variety of building types in a walkable neighborhood

Left: Diagrams describing one possible outcome of development standards for large sites

Key Standards for Mixed-Use Environments

Frontages

A frontage is the part of a building that connects the public realm (street and sidewalk) with the private realm (yard or building), providing an important transition between the two. Examples of different frontage types include porches, stoops, and shopfronts.

Frontage standards can include regulations on which types of frontages are allowed in particular areas as well as dimensional standards for each frontage type.

In mixed-use environments, frontage standards should ensure that residential frontage types are crafted along with frontage types typical of retail environments in order to enable ground-floor residential uses on secondary facades.

Building Placement

Where the City wants to enable either ground-floor retail or residential uses on the front facade, consider flexible build-to lines.

Key Standards Impacting Economic Feasibility

Parking Requirements

Minimum requirements for parking space(s) per dwelling unit can play a large role in limiting development and feasibility if the standards are not properly calibrated for the context. Current standards for parking in the study areas are high, requiring larger lots for developments and limiting the sites' capacity for new infill housing at these priority locations.

Reductions in parking requirements should be coordinated with the provision

of mobility alternatives, which can include bicycle infrastructure and storage, car-share programs with dedicated spaces for car-share vehicles onsite, and transit service with transit passes for residents.

One resource as an alternative mobility option is the new SmaRT Ride service. Sacramento Regional Transit (RT) now provides on-demand transit service through an app that can take users directly to major offices, shopping centers and light rail stations in Folsom. The new service will also be available in the Folsom Plan Area. The fee to use the service is half the cost of bus and light rail fares.

Another resource in planning for alternative mobility options is GreenTRIP, a program launched in the San Francisco Bay Area and expanding statewide, which offers a certification for new development that provides mobility alternatives in exchange for reduced parking.

Density Limits

A common misconception is that lower densities mean smaller buildings and that higher densities mean larger buildings. However, density is a numerical approach based on the lot size that does not regulate the size of buildings or how they relate to their surrounding contexts. A moderate-density building may still dwarf a house next to it, just as a high-density building may blend into the surrounding neighborhood as a house-scale building.

Why Density Alone Can Have Unexpected Built Outcomes

While people commonly assume that density limits ensure that new projects will be compatible with their context, this is not actually the case. See the images at right of projects which have nearly the same density but drastically different built form.

The number of dwelling units may have no correlation with the size of those units, their arrangement on the lot, or the form of the buildings within which they appear. There is a misconception that high density means big buildings, despite the fact that existing house-scale buildings often achieve higher densities.

In order to achieve the benefits of increased housing choices—including attainability, support for neighborhood walkability, and compatibility with context—a thoughtful approach to regulating form, scale, and building types is most important.

Above: Large corridor apartment building
60 units; 30 du/ac.
Building 175' x165'; 3 Stories

Above: House-scale courtyard building
8 units; 31.7 du/ac.
Building back bar 84 x 32, wings coming to street 31 x 25, courtyard 30 x 36; 2 Stories

Density should not be considered a standard that produces particular built form outcomes. Instead, a combination of building types and building massing regulations can create desirable results regardless of a project's numerical density.

Key Regulatory Tools

Objective Design Standards (ODS)

Per state law, cities must have clear, objective standards for multi-family development projects, including affordable housing projects. These types of projects must be reviewed by city staff using only objective standards. Planning Commission and Council can no longer review design.

In many cases, Objective Design Standards may be one of the most important ways for local jurisdictions to influence the design of multi-family and mixed-use buildings.

The City of Folsom will undertake to create Objective Design Standards in the near future and can incorporate recommendations from this project into the new standards.

A Note on Housing Affordability

While recommendations for policies or programs that address housing affordability are outside the parameters of this project, the goal to provide housing opportunities for all income levels informs the thinking behind this study.

The enclosed recommendations can support housing affordability in myriad ways, including:

- Objective Design Standards create a predictable and streamlined approval process for developers who produce multi-family and affordable housing while also providing a predictable built outcome for the community
- Increases in density, when coupled with appropriate building form standards, can help encourage the provision of smaller units which are generally available at a more attainable price point than larger units
- Parking requirement reductions reduce development costs and enable developers to provide more units
- Unbundling parking, i.e. offering tenants the option to lease a dwelling unit without also leasing a parking space, can help bring down unit costs for individual tenants and can reduce the number of parking spaces required in a development

Emerging Best Practices on Density and FAR

Density, FAR, and Predictability of Built Form

As described in the previous section, density alone as a regulatory tool does not always result in predictable built form. Factors such as building length, size, and bulk, and the type and sizes of dwelling units can result in buildings with similar densities and different built outcomes. When the State Density Bonus is applied to mixed-income projects, the resultant building form can deviate even further from expectations. Density cannot yield predictable built form results.

FAR (floor area ratio) can result in more predictable buildings especially when used with other, form-based regulations to guide the outcome of the zoning envelope. FAR measures the ratio of total usable built floor area to the area of the lot. As an example, a single-story building that covers 100 percent of its lot has an FAR of 1.0, as does a two-story building that covers 50 percent of the lot. In this way, FAR directly regulates building square footage relative to lot size, which yields a level of predictability in a building's mass, an important aspect of built form that can complement other building form standards in Objective Design Standards.

Regulating with FAR Instead of Density

Given density's inability to deliver predictable built form, an emerging best practice is to replace density with FAR as a regulatory tool.

Some opponents of eliminating density requirements fear that it will result in buildings with very high numbers of micro-units or single room occupancy (SRO) units. While unlikely, additional standards can be considered to prevent this situation, such as establishing minimum requirements for "family units" or 2+ bedroom units in multi-family projects.

Eliminating density does not jeopardize density bonus projects. FAR can be used instead of density to determine base entitlements and also to determine density bonus allocations, as described in the El Cerrito example on the facing page.

Establishing FAR Standards

Rather than establishing FAR maximums up-front, determining FAR standards after other form standards have been established can better ensure that FAR furthers the City's goals for desired built form.

The process of determining potential built outcomes in the opportunity site testing in this project can be helpful to determine an appropriate resultant FAR for projects in Folsom. Further site testing can help to determine appropriate FAR levels for future housing projects in Folsom.

Examples From Other Communities

Several other California cities have begun to eliminate density standards and rely on FAR instead. The following are some examples from Northern California.

Roseville
Roseville has recently adopted standards that allow projects to meet either density maximums or FAR maximums, whichever is more permissive. With its moderate density maximum (36 du/ac) and relatively high FAR maximum (4.0), FAR is likely to effectively replace density as the applicable regulatory tool for new projects.

San Rafael
In its 2020 General Plan, San Rafael eliminated density standards for its downtown and now relies on FAR instead. The intention behind this change was to increase the predictability of built form as the City pursues its housing goals. This policy change was implemented in the Downtown Precise Plan, which makes no mention of density.

El Cerrito
In its 2014 San Pablo Avenue Specific Plan, El Cerrito eliminated density standards for the San Pablo Avenue Specific Planning Area. The City has established the legal precedent for using FAR in awarding state density bonuses by awarding additional square footage rather than additional density to state density bonus recipients.

Above: Locations of example communities in Northern California

Recommendations for the East Bidwell Study Area

Note: The existing standards evaluated in this matrix are from the C-2 zoning district and the East Bidwell Mixed-Use Overlay.

Recommendations Matrix			
Regulation	**Existing Standard**	**Proposed Adjustment**	**Implementation Tool**
Building height	4 stories (50 ft) max.	**5 stories max. on corner ssites**	Objective Design Standards
Front setback	None required	**Build-to line of 5-10 ft min. to 15-20 ft max.**	Objective Design Standards
Parking for Multi-Unit Dwellings	1.5 spaces per unit min.	**0.7-0.9 space per unit min.**	Objective Design Standards
Parking for Retail	1 space per 200 sf min.	**Allow small retail spaces in mixed-use buildings to pool parking space with adjacent parcels rather than providing them onsite**	Objective Design Standards
Density	20-30 du/acre	**60-80 du/acre max., or eliminate density standard**	General Plan + Objective Design Standards
Additional Standards	**Considerations**		
Frontage types	Allow frontage types appropriate to both retail uses (e.g. shopfronts) and ground-floor residential uses (e.g. porches). Create sufficient depth (10-15 ft) in residential frontages to buffer these building entries from the street.		
Building types	Regulating by building types can help create predictable built form. Building types can incorporate dimensional standards like building width.		
Massing and articulation	Consider requiring massing strategies such as upper-story stepbacks and facade articulation to reduce the perceived bulk of new development.		
Standards for large sites	Plan for the possibility of redevelopment of large parcels. Incorporate street and block standards and open space standards to encourage a walkable development pattern.		
Pedestrian entry standards	Regulate a minimum distance between pedestrian entries along a building facade and require that ground-floor units be accessed from the sidewalk or common open space.		
Density minimums	Consider density minimums that capture the City's housing goals for infill sites and helps the City meet its RHNA allocation goals.		
Unbundling parking	Unbundling parking, i.e. offering tenants the option to lease a dwelling unit without also leasing a parking space, can help bring down unit costs for individual tenants and can reduce the number of parking spaces required in a development.		

Rationale
Allowing taller building heights on corner sites enables the creation of nodes of intensity along the corridor.
Regulate as a build-to line rather than a setback. Dimensions provided are flexible enough to accommodate either retail or residential use on the ground floor. Build-to lines will ensure that buildings are placed to engage the street and sidewalk. In order to improve comfort and safety for pedestrians, incorporate a small buffer into the dimension that can accommodate an expanded sidewalk and/or a frontage that transitions from the sidewalk to the building face.
A reduced parking ratio was required for feasibility on the opportunity site tested. Lowering the parking ratio further will increase development feasibility. This parking ratio should be paired with alternative mobility strategies like onsite car-share.
Particularly on small infill sites, parking requirements make it difficult to realize development potential due not only to the cost of providing parking but also because of the physical constraints of the lot. The parking ratio for retail square footage is more demanding than the parking ratio for residential square footage and can be difficult to physically accomplish on sites like the opportunity site studied on East Bidwell St. Currently, some of the retail centers along East Bidwell have an excess of parking spaces that could be used by patrons of small retail or service components in new mixed-use buildings. Eliminating the parking requirement for small retail spaces, provided there is adequate parking on adjacent parcels, can help enable mixed-use development on this corridor.
Higher density was required for feasibility in the opportunity site test. This increased density can enable smaller, more attainable units. Increase in density should be paired with the development of robust design standards to control built form.

Recommendations for the Folsom Blvd. TOD Study Area

Note: The existing standards evaluated in this matrix are from the R-4 zoning district.

Recommendations Matrix			
Regulation	**Existing Standard**	**Proposed Adjustment**	**Implementation Tool**
Building height	4 stories (50 ft) max.	**Up to 5 stories max., and up to 7 stories max. at TOD sites**	Objective Design Standards
Front setback	20' min.	**Build-to line of 5-10 ft min. to 15-20 ft max.**	Objective Design Standards
Side street setback	15' min.	**Build-to line of 5-10 ft min. to 15 ft max.**	Objective Design Standards
Parking for Multi-Unit Dwellings	1.5-2.5 spaces per unit min. (varies by unit size)	**0.5-0.75 spaces per unit min. at TOD sites; 1 space/ unit min. elsewhere**	Objective Design Standards
Density	20-30 du/acre	**100-120 du/acre max., or eliminate density standard**	General Plan + Objective Design Standards
Additional Standards	**Considerations**		
Frontage types	Allow frontage types appropriate to both retail uses (e.g. shopfronts) and ground-floor residential uses (e.g. porches). Create sufficient depth (10-15 ft) in residential frontages to buffer these building entries from the street.		
Building types	Regulating by building types can help create predictable built form. Building types can incorporate dimensional standards like building width and depth.		
Massing and articulation standards	Consider massing strategies such as upper-story stepbacks, facade articulation, and upper stories within roof forms to reduce the perceived bulk of new development.		
Standards for large sites	Plan for the possibility of redevelopment of large parcels. Incorporate street and block standards and open space standards to encourage a walkable development pattern.		
Unbundling parking	Unbundling parking, i.e. offering tenants the option to lease a dwelling unit without also leasing a parking space, can help bring down unit costs for individual tenants and can reduce the number of parking spaces required in a development.		
Alternative mobility provisions	Pair a reduction in parking requirements with a requirement for alternative mobility options, including transit passes.		

Rationale
Located along a transit corridor, this targeted area is a rational location for the greatest intensity of new residential development. Anticipating that podium buildings will be required in order to capture the desired development potential on this site, taller building heights will likely be necessary in order to offset the costs of this more expensive construction type. At the Glenn Station opportunity site tested, five stories across the site was in the realm of feasibility. Consider allowing some taller heights at this location to ensure that this development remains feasible. This will also allow development to be taller than 5 stories at the station entrance and step down to lower heights at the edges of the parcel to transition to the surrounding context.
Regulate as a build-to line rather than a setback. The proposed dimensions are flexible enough to accommodate either retail or residential use on the ground floor. Build-to lines will ensure that buildings are placed to engage the street and sidewalk. In order to improve comfort and safety for pedestrians, incorporate a small buffer into the dimension that can accommodate an expanded sidewalk and/or a frontage that transitions from the sidewalk to the building face.
Regulate as a build-to line rather than a setback. The proposed dimensions are flexible enough to accommodate either retail or residential use on the ground floor. Build-to lines will ensure that buildings are placed to engage the street and sidewalk. In order to improve comfort and safety for pedestrians, incorporate a small buffer into the dimension that can accommodate an expanded sidewalk and/or a frontage that transitions from the sidewalk to the building face.
A reduced parking ratio was required for feasibility on the opportunity site tested. Lowering the parking ratio further will increase development feasibility. This parking ratio should be paired with alternative mobility strategies like onsite car-share and transit passes.
Higher density was required for feasibility in the opportunity site test. This increased density can enable smaller, more attainable units. Increase in density should be paired with the development of robust design standards to control built form.

Recommendations for the New Town Center Study Area

Note: The existing standards evaluated in this matrix are from the SP-MU zoning district, which is the most intense of the zoning districts in the New Town Center.

Recommendations Matrix			
Regulation	**Existing Standard**	**Proposed Adjustment**	**Implementation Tool**
Building height	50 ft max.	**70 ft max.**	Objective Design Standards
Parking for Multi-Unit Dwellings	1.5 spaces per unit min.	**1 space per unit min.**	Objective Design Standards
Density	9-30 du/acre	**80-100 du/acre max., or eliminate density standard**	Folsom Plan Area Specific Plan + Objective Design Standards
Additional Standards	**Considerations**		
Frontage types	Allow frontage types appropriate to both retail uses (e.g. shopfronts) and ground-floor residential uses (e.g. porches). Create sufficient depth (10-15 ft) in residential frontages to buffer unit entries from the street or sidewalk.		
Building types	Regulating by building types can help create predictable built form. Building types can incorporate dimensional standards like building width and depth.		
Massing and articulation standards	Consider requiring massing strategies such as upper-story stepbacks and facade articulation to reduce the perceived bulk of new development.		
Standards for large sites	Plan for the possibility of redevelopment of large parcels. Incorporate street and block standards and open space standards to encourage a walkable development pattern.		
Unbundling parking	Unbundling parking, i.e. offering tenants the option to lease a dwelling unit without also leasing a parking space, can help bring down unit costs for individual tenants and can reduce the number of parking spaces required in a development.		

Rationale
These increased building heights are aligned with the renderings shown in the Folsom Plan Area Specific Plan. They are also aligned with the density evaluated for feasibility as part of this project.
A reduced parking ratio was required for feasibility on the opportunity site tested. This parking ratio should be paired with alternative mobility strategies like onsite car-share. Note that this recommended parking ratio is higher than in the other two study areas since the New Town Center does not yet have an established transit system and due to its location is more likely to require a certain level of auto-dependency.
Higher density was required for feasibility in the opportunity site test. This increased density can enable smaller, more attainable units. Increase in density should be paired with the development of robust design standards to control built form.

Appendix

Table 1
City of Folsom
Feasibility Analysis
Building Prototypes

	Snowline Hospice Thrift Store 616 E Bidwell St	Glenn Station Park + Ride 620 Coolidge Dr	New Town Center Folsom Plan Area
FAR	1.04	1.98	1.83
DU/Acre	58.9	111.7	90.4
Number of Stories	3	4 and 5	3 and 4
Land Area SF	60,632	118,925	211,600
Gross SF	63,250	234,900	387,000
Residential			
Gross Residential SF	63,250	233,400	309,000
Net Residential SF	54,100	197,900	257,040
Building Efficiency	86%	85%	83%
Retail SF	-	1,500	78,000
Residential Unit			
Efficiency	27	103	221
Studio	23	93	170
1-BR	24	88	48
2-BR	8	21	-
Total Units	82	305	439
Average Unit Size (SF)	659	649	585
Parking			
Type	Tuck Under/Surface	Tuck Under/Podium	Podium/Garage
Number of Spaces	83	328	551

Table 2
City of Folsom
Feasibility Analysis
City Fees

			Snowline Hospice Thrift Store 616 E Bidwell St	Glenn Station Park + Ride 620 Coolidge Dr	New Town Center Folsom Plan Area
North of HW 50					
Multi-Family					
Folsom Cordova Unified School District	$ 7.57	*per sf.*	$ 409,537	$ 1,498,103	
Road Fee	$ 5,717.00	*per unit*	$ 386,755	$ 1,438,540	
Water Impact Fee	$ 530.00	*per unit*	$ 35,855	$ 133,361	
Sewer Fees (Multifamily Infill)	$ 839.00	*per unit*	$ 56,758	$ 211,113	
Drainage Fee	$ 1,037.00	*per unit*	$ 70,153	$ 260,935	
General Capital Improvement Fee	$ 1,596.00	*per unit*	$ 107,969	$ 401,594	
Fire Capital Improvement Fee	$ 1,050.00	*per unit*	$ 71,033	$ 264,206	
Police Captial Improvement Fee	$ 681.00	*per unit*	$ 46,070	$ 171,357	
Park Equirement Fee	$ 94.00	*per unit*	$ 6,359	$ 23,653	
Transportation Management Fee	$ 25.00	*per unit*	$ 1,691	$ 6,291	
City Wide Park Fee	$ 4,675.00	*per unit*	$ 316,264	$ 1,176,347	
Light Rail Fee	$ 498.00	*per unit*	$ 33,690	$ 125,309	
Solid Waste Capital Fee	$ 363.00	*per unit*	$ 24,557	$ 91,340	
Waste Management Plan Admin Fee	$ 50.00	*per first 10,000 sf*	$ 50	$ 50	
	$ 25.00	*per each additional 5,000 sf*	$ 266	$ 1,117	
Commercial					
Folsom Cordova Unified School District	$ 0.78	*per sf.*		$ 1,170	
Housing Trust Fund Fee	$ 1.76	*per sf.*		$ 2,640	
Road Fees	$ 12.27	*per sf.*		$ 18,405	
Water Impact Fee	$ 1,326.00	*per acre*		$ 46	
Drainage Fee	$ 6,302.00	*per acre*		$ 217	
General Capital Improvement Fee	$ 0.498	*per sf.*		$ 747	
Fire Capital Improvement Fee	$ 0.634	*per sf.*		$ 951	
Police Captial Improvement Fee	$ 1.012	*per sf.*		$ 1,518	
Park Equirement Fee	$ 0.018	*per sf.*		$ 27	
Transportation Management Fee	$ 0.150	*per sf.*		$ 225	
City Wide Park Fee	$ 0.476	*per sf.*		$ 714	
Light Rail Fee	$ 0.230	*per sf.*		$ 345	
Waste Management Plan Admin Fee	$ 250.00	*per first 50,000 sf.*		$ 250	
	$ 50.00	*per each additional 10,000 sf.*		$ -	
Folsom Plan Area					
Multi-Family					
Folsom Cordova Unified School District	$ 7.57	*per sf.*			$ 1,945,793
General Park Equipment	$ 94.00	*per unit*			$ 34,044
Folsom Plan Area Specific Plan Fees (Mixed Use District)					
General Capital	$ 1,081.00	*per unit*			$ 391,511
Library	$ 220.00	*per unit*			$ 79,679
Municipal Center	$ 402.00	*per unit*			$ 145,594
Police	$ 451.00	*per unit*			$ 163,341
Fire	$ 1,088.00	*per unit*			$ 394,046
Parks	$ 5,677.00	*per unit*			$ 2,056,067
Trails	$ 1,122.00	*per unit*			$ 406,360
Folsom Plan Area Stand Alone Fees (Mixed Use District)					
Solid Waste	$ 353.00	*per unit*			$ 127,848
Corp Yard	$ 231.00	*per unit*			$ 83,662
Transit	$ 950.00	*per unit*			$ 344,066
HW50 Improvement	$ 919.00	*per unit*			$ 332,839
HW50 Interchange	$ 1,870.00	*per unit*			$ 677,267
Sac County Transpo Dev	$ 3,784.00	*per unit*			$ 1,370,470
Specific Plan Infrastructure Fees (Mixed Use District)					
On and Off-Site Roadways	$ 9,447.00	*per unit*			$ 3,421,467
Dry Utilities	$ 2,494.00	*per unit*			$ 903,264
On-Site Water	$ 2,800.00	*per unit*			$ 1,014,090
Off-Site Water	$ 1,395.00	*per unit*			$ 505,234
Recycled Water	$ 843.00	*per unit*			$ 305,314
Drainage Fee	$ 4,184.00	*per unit*			$ 1,515,340
Sewer	$ 893.00	*per unit*			$ 323,422
Habitat Mitigation	$ 203.00	*per unit*			$ 73,522
Administration (3%)	$ 668.00	*per unit*			$ 241,933
Parkland Equalization Fee (Mixed Use District)	$ 3,870.00	*per unit*			$ 1,401,617
Public Facilities Land Equalization Fee (Mixed Use District)	$ 599.00	*per unit*			$ 216,943
Specific Plan Infrastructure Fee Set-Aside (Offsite Roadway)(Mixed Use District)	$ 148.00	*per unit*			$ 53,602
Transportation Management Fee	$ 25.00	*per unit*			$ 9,054
Specific Plan Infrastructure Fee Water Treatment Plant Set-Aside	$ 366.00	*per unit*			$ 132,556
Commercial					
Folsom Cordova Unified School District	$ 0.78	*per sf.*			$ 60,840
General Park Equipment	$ 0.02	*per sf.*			$ 1,404
Folsom Plan Area Specific Plan Fees (Mixed Use District)					
General Capital	$ 0.82	*per sf.*			$ 63,960
Library	$ -	*per sf.*			$ -
Municipal Center	$ 0.11	*per sf.*			$ 8,580
Police	$ 0.84	*per sf.*			$ 65,520
Fire	$ 0.82	*per sf.*			$ 63,960
Parks	$ 0.47	*per sf.*			$ 36,660
Trails	$ -	*per sf.*			$ -
Folsom Plan Area Stand Alone Fees (Mixed Use District)					
Solid Waste	$ 0.40	*per sf.*			$ 31,200
Corp Yard	$ 0.53	*per sf.*			$ 41,340
Transit	$ 1.82	*per sf.*			$ 141,960
HW50 Improvement	$ 1.77	*per sf.*			$ 138,060
HW50 Interchange	$ 3.60	*per sf.*			$ 280,800
Sac County Transpo Dev	$ 7.28	*per sf.*			$ 567,840
Specific Plan Infrastructure Fees (Mixed Use District)					
On and Off-Site Roadways	$ 18.17	*per sf.*			$ 1,417,260
Dry Utilities	$ 2.31	*per sf.*			$ 180,180
On-Site Water	$ 3.26	*per sf.*			$ 254,280
Off-Site Water	$ 1.62	*per sf.*			$ 126,360
Recycled Water	$ 0.98	*per sf.*			$ 76,440
Drainage Fee	$ 9.53	*per sf.*			$ 743,340
Sewer	$ 0.12	*per sf.*			$ 9,360
Habitat Mitigation	$ 0.46	*per sf.*			$ 35,880
Administration (3%)	$ 1.09	*per sf.*			$ 85,020
Public Facilities Land Equalization Fee (Mixed Use District)	$ 3,392.00	*per acre*			$ 6,074
Specific Plan Infrastructure Fee Set-Aside (Offsite Roadway)(Mixed Use District)	$ 0.29	*per sf.*			$ 22,620
Transportation Management Fee	$ 0.15	*per sf.*			$ 11,700
Specific Plan Infrastructure Fee Water Treatment Plant Set-Aside	$ 0.42	*per sf.*			$ 32,760
Total City Fees			**$ 1,567,007**	**$ 5,830,570**	**$ 23,173,346**

Note: Impact fees are reduced by 50 percent for efficency and studio apartments up to 35 percent of the total number of units - Section 16.70 of the Folsom Municipal Code.

Table 3
City of Folsom
Feasibility Analysis
Revenues

		Snowline Hospice Thrift Store 616 E Bidwell St	Glenn Station Park + Ride 620 Coolidge Dr	New Town Center Folsom Plan Area
Residential Program				
Total Units		82	305	439
Market-Rate Units				
Studios		27	103	221
1-BR		23	93	170
2-BR		24	88	48
3-BR		8	21	-
Unit Size (SF)				
Studios		500	500	500
1-BR		650	650	650
2-BR		750	750	750
3-BR		950	950	-
Commercial Program				
Retail SF		-	1,500	78,000
Residential Revenues				
Market-Rate Rent PSF				
Efficiency		$ 3.10	$ 3.10	$ 3.10
Studio		$ 2.85	$ 2.85	$ 2.85
1-BR		$ 2.65	$ 2.65	$ 2.65
2-BR		$ 2.40	$ 2.40	$ -
Market-Rate Rent per-Unit				
Efficiency		$ 1,550	$ 1,550	$ 1,550
Studio		$ 1,853	$ 1,853	$ 1,853
1-BR		$ 1,988	$ 1,988	$ 1,988
2-BR		$ 2,280	$ 2,280	$ -
Market-Rate Unit Revenues				
Efficiency		$ 41,850	$ 159,650	$ 342,550
Studio		$ 42,608	$ 172,283	$ 314,925
1-BR		$ 47,700	$ 174,900	$ 95,400
2-BR		$ 18,240	$ 47,880	$ -
Total Annual Market-Rate Rent		$ 1,804,770	$ 6,656,550	$ 9,034,500
Commercial Revenues				
Retail Rent PSF		$ 2.00	$ 2.00	$ 2.00
Retail Revenues		$ -	$ 36,000	$ 1,872,000
Net Operating Income				
Residential				
Total Project Revenues		$ 1,804,770	$ 6,656,550	$ 9,034,500
Less Vacancy (2.5%)	2.5%	$ 45,119	$ 166,414	$ 225,863
Effective Gross Income		$ 1,759,651	$ 6,490,136	$ 8,808,638
Less Operating Expenses (including reserves)	32.5%	$ 571,886	$ 2,109,294	$ 2,862,807
Residential Net Operating Income		$ 1,187,764	$ 4,380,842	$ 5,945,830
Retail				
Total Project Revenues		$ -	$ 36,000	$ 1,872,000
Less Vacancy (5.0%)	5.0%	$ -	$ 1,800	$ 93,600
Effective Gross Income		$ -	$ 34,200	$ 1,778,400
Less Operating Expenses (including reserves)[1]	12.0%	$ -	$ 4,104	$ 213,408
Retail Net Operating Income		$ -	$ 30,096	$ 1,564,992
Total Net Operating Income		**$ 1,187,764**	**$ 4,410,938**	**$ 7,510,822**

[1] *Commericial operating costs are assumed to be triple net.*

Table 4
City of Folsom
Feasibility Analysis
Development Costs

			Snowline Hospice Thrift Store 616 E Bidwell St	Glenn Station Park + Ride 620 Coolidge Dr	New Town Center Folsom Plan Area
FAR			1.04	1.98	1.83
DU/Acre			58.9	111.7	90.4
Land Area SF			60,632	118,925	211,600
Gross SF			63,250	234,900	387,000
Residential					
Gross Residential SF			63,250	233,400	309,000
Net Residential SF			54,100	197,900	257,040
Building Efficiency			86%	85%	83%
Retail SF			-	1,500	78,000
Total Residential Units			82	305	439
Parking					
Surface			42	-	-
Garage			-	-	400
Tuck Under			41	13	-
Podium			-	315	151
Land Costs					
Land Costs	$44	*per land SF*	$ 2,644,684	$ 5,187,344	$ 9,229,699
Land Costs Subtotal			**$ 2,644,684**	**$ 5,187,344**	**$ 9,229,699**
Hard Costs					
Residential Construction Costs	$195	*per GSF*	$ 12,333,750	$ 45,513,000	$ 60,255,000
Demo/On-Site Improvements	$10	*per land SF*	$ 606,320	$ 1,189,250	$ 2,116,000
Retail Construction Costs[1]	$93	*per GSF*	$ -	$ 139,500	$ 7,254,000
Parking					
Surface	$2,500	*per space*	$ 105,000	$ -	$ -
Garage	$8,500	*per space*	$ -	$ -	$ 3,400,000
Tuck Under	$11,500	*per space*	$ 471,500	$ 149,500	$ -
Podium	$45,000	*per space*	$ -	$ 14,175,000	$ 6,795,000
Contingency	4%	*x Hard Cost subtotal*	$ 540,663	$ 2,446,650	$ 3,192,800
Hard Costs Subtotal			**$ 14,057,233**	**$ 63,612,900**	**$ 83,012,800**
Parking costs as % of Hard Costs			4%	23%	12%
Parking Cost per sf.			$ 17	$ 109	$ 46
Soft Costs					
City Permits and Fees		*See Fees Tab*	$ 1,567,007	$ 5,830,570	$ 23,173,346
A&E/Other Professionals	6%	*x Hard Costs*	$ 843,434	$ 3,816,774	$ 4,980,768
Marketing/Leasing Commissions	$7.50	*x Net Leasable SF*	$ 454,740	$ 891,938	$ 1,587,000
Legal & Accounting	2%	*x Hard Costs*	$ 281,145	$ 1,272,258	$ 1,660,256
Taxes & Insurance	2%	*x Hard Costs*	$ 281,145	$ 1,272,258	$ 1,660,256
Pre-Opening Expenses	$4.00	*x Net Leasable SF*	$ 242,528	$ 475,700	$ 846,400
Developer Fee	6%	*x Hard Costs*	$ 843,434	$ 3,816,774	$ 4,980,768
Contingency	3%	*x Soft Costs subtotal*	$ 135,403	$ 521,288	$ 1,166,664
Soft Costs Subtotal			**$ 4,648,835**	**$ 17,897,560**	**$ 40,055,457**
% of Hard Costs			*33%*	*28%*	*48%*
% of Total Costs			*20%*	*19%*	*28%*
Subtotal: Land + Hard Costs + Soft Costs			**$ 21,350,751**	**$ 86,697,804**	**$ 132,297,956**
Financing Costs					
Average Loan Balance	65%				
Construction Loan Interest Rate	6.5%				
Loan Term	18	*months*			
Construction Loan Interest			$ 1,353,104	$ 5,494,473	$ 8,384,383
Construction Loan Fees	2.0%	*x subtotal*	$ 427,015	$ 1,733,956	$ 2,645,959
Permanent Loan Percent	75.0%	*x capitalized value*			
Permanent Loan Fees	1.5%		$ 296,941	$ 1,102,734	$ 1,877,706
Financing Costs Subtotal			**$ 2,077,060**	**$ 8,331,164**	**$ 12,908,048**
Total Development Cost					
Total: Land + Hard+ Soft + Financing			**$ 23,427,811**	**$ 95,028,967**	**$ 145,206,004**
Per Unit Cost			*$ 285,705*	*$ 311,570*	*$ 330,765*
Per SF			*$ 370*	*$ 405*	*$ 375*

[1] *Assumes construction cost for building substructure and shell only*

Source: RS Means, Los Angeles, 2021

Table 5
City of Folsom
Feasibility Analysis
Proforma

		Snowline Hospice Thrift Store 616 E Bidwell St	Glenn Station Park + Ride 620 Coolidge Dr	New Town Center Folsom Plan Area
Land Area SF		60,632	118,925	211,600
FAR		1.04	1.98	1.83
Number of Stories		3	4 and 5	3 and 4
Gross Building SF		63,250	234,900	387,000
Residential				
DU/Acre		58.9	111.7	90.4
Residential Gross SF		63,250	233,400	309,000
Building Efficiency		86%	85%	83%
Total Units		82	305	439
Average Unit Size (SF)		659	649	585
Retail SF		-	1,500	78,000
Parking				
Type		Tuck Under/Surface	Tuck Under/Podium	Podium/Garage
Number of Spaces		83	328	551
Development Costs				
Land Cost		$ 2,644,684	$ 5,187,344	$ 9,229,699
Hard Costs		$ 14,057,233	$ 63,612,900	$ 83,012,800
Soft Costs (include. Financing)		$ 6,725,895	$ 26,228,724	$ 52,963,505
Total Development. Costs		$ 23,427,811	$ 95,028,967	$ 145,206,004
Sales Revenues				
Net Operating Income		$ 1,187,764	$ 4,410,938	$ 7,510,822
Capitalized Value (Cap Rate 4.5%)[1]	4.50%	$ 26,394,761	$ 98,020,844	$ 166,907,163
Developer Profit				
Total Revenues Less Total Development Costs		$ 2,966,950	$ 2,991,876	$ 21,701,159
Yield on Cost %		5.07%	4.64%	5.17%
Feasibility				
Feasibility: Cap Rate +1%	5.50%	**No**	**No**	**No**
Feasibility: Hurdle Rate	8.0%	**No**	**No**	**No**
% Rent Increase Required for Target Yield-on-Cost		9%	19%	8%
Feasibility with above % Rent Increase		**Yes**	**Yes**	**Yes**