

STAFF REPORT

Date: November 1, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Presentation and potential direction to staff regarding Title 18 Zoning Code Clean-Up items related to housing and affordability.

From: Angela Fuss, Assistant Director of Development Services

Department: Development Services

Summary:

Housing and affordability continue to be a top priority for Council. As a part of that priority, staff is working on a number of housing strategies tied to the Title 18 Zoning Code. This includes providing incentives for affordable housing developments, density bonuses for infill areas, flexibility for developing different housing products/types, and allowing for more residential projects to go straight to a building permit (by-right). The changes will be processed as part of the Zoning Code Clean-Up that is currently underway and anticipated to be in front of Council for review in early 2024. Staff recommends Council review the proposed changes and provide feedback for staff to move forward.

Alignment with Strategic Plan:

Economic Opportunity, Homelessness, and Affordable Housing

Previous Council Action:

June 8, 2022 – City Council initiated a series of text amendments, including affordable housing, and zoning code clean-up items to Reno Municipal Code (RMC) Title 18 Annexation and Land Development.

Background:

On June 8, 2022, City Council initiated a series of text amendments related to the Title 18 Annexation and Land Development Code (i.e. Zoning Code). This included updates to address affordable housing. The work program includes the creation of new ordinances on accessory dwelling units (ADUs) and short term rentals. Other initiatives will be incorporated into the broader Zoning Code Clean-Up and are intended to modify the existing code to address both

housing and affordability.

It is also important to note recent changes that came out of the 2023 legislative session tied to housing. Specifically, Assembly Bill (AB) 213 requires that municipalities make various changes to their land use planning processes and create an expedited process for affordable housing projects.

Discussion:

Housing Strategy	Proposed Zoning Code Changes to Address Housing
Incentives for Affordable Housing	<p>Create an exemption from entitlement review for projects that meet 60% AMI.</p> <p>Projects providing affordable housing with an average total gross income not exceeding 60 percent of the AMI shall be exempt from all:</p> <ul style="list-style-type: none">• Minor conditional use permit• Conditional use permit• Site plan review• Major site plan review• Requests for entitlements listed under Article 8 “Flexibility and Relief” are <u>not exempted</u>.
Incentives for Affordable Housing	<p>Create a process for expedited building permit review for projects that meet 60 percent AMI.</p> <p>For any project providing affordable housing with an average total gross income not exceeding 60 percent of the AMI, the Development Services Department shall prioritize the review permits and related plans.</p>
Incentives for Affordable Housing	<p>Create new density bonus incentives for affordable housing projects at more than just the 60 percent AMI, including those in the 61-120 percent AMI.</p> <ul style="list-style-type: none">• Projects providing affordable housing with an average total gross income not exceeding 120 percent of the AMI are eligible to receive a 35 percent density bonus.• Projects providing affordable housing with an average total gross income not exceeding 80 percent of the AMI are eligible to receive a 45 percent density bonus.• Projects providing affordable housing with an average total gross income not exceeding 60 percent of the AMI are eligible

	to receive an unlimited density bonus.
Density Bonuses for Market Rate Infill Housing	<p>Allow for additional density bonuses for infill projects.</p> <ul style="list-style-type: none"> • 35 percent density increase when average unit size is less than 1,800 square feet. • 45 percent density increase when average unit size is less than 1,400 square feet. • 80 percent density increase when average unit size is less than 1,000 square feet.
Allow for More “Missing Middle” Development By-Right	Allow multi-family development with 100 or fewer units to be allowed “by-right” (in specific zoning districts), as opposed to requiring an entitlement review process.
Allow for More “Missing Middle” Development By-Right	Allow duplex, triplex and four plex units in additional single-family zoning districts, with the approval of a conditional use permit.

Financial Implications:

There is no financial impact at this time.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council review the proposed changes and provide feedback for staff to move forward.

Proposed Motion:

I move to approve staff recommendation.

Attachments: