



THE WEEKLY COUNCIL INFORMATION REPORT

August 5, 2022

Chief Cavallero Announces Retirement Plans



Chief Tom Cavallero has announced plans to retire in December 2022. Chief Cavallero served in law enforcement for 37 years.

Cavallero was named Merced Police Chief in 2020. Before his appointment, he served in the Merced County Sheriff's Department for 35 years and held the ranks of deputy, sergeant, commander, and undersheriff before becoming sheriff-coroner in 2013.

Cavallero will serve as police chief through December 2022 and work with the city manager and council to further their public safety priorities as a comprehensive community service priority while the City searches for its successor.

Scenes from a successful National Night Out



Mutual Aid

On Sunday, July 31st, eight of the nine City of Merced Fire Department personnel assigned to the Oak Fire were released to return home. One Chief Officer stayed with the assignment. However, before the eight crew members could return, they were reassigned to the McKinney fire in Northern California. Strike teams deployed to the McKinney fire, which has consumed more than 51,000 acres in the Klamath National Forest in Siskiyou County. Merced City Fire crews can be committed for 14-21 days to assist agencies across the state as they participate in the California Master Mutual Aid system.



Chief Parker Interviewed by KSEE/KGPE

To read the full interview, "Merced fire chief's Oak Fire battle is where he grew up," visit the Fire Department's Facebook page to access the link, or visit yourcentralvalley.com and search for Derek Parker. Thanks to the Merced Fire Department for providing mutual aid to battle the Oak Fire.



AQUATICS SEASON WRAPS UP THIS WEEK

The Parks & Recreations Department 2022 aquatics season will end this Saturday, August 6th. The program provided valuable swim lessons at multiple recreational swimming sites to help community members beat the summer heat.

Approximately 1,000 children participated. Sessions included Tiny Tots I & II, Beginner's Prep, Stroke Technique, and Parent & Me. Children ages six months to 16 years learned basic skills like breathing correctly, the front crawl, and backstroke.

This year the Parks and Rec Department partnered with the Merced City School District to provide lessons for preschoolers, as well as Healthy House Within A Match, to offer classes to parents and their children involved in the Sista Camp program.

Additionally, community members enjoyed recreational swim time at Merced High School and Memorial Plunge Pool at McNamara Park. Swim fees are \$2.00 for adults, \$1.00 for youth ages 3 – 14, and no charge for children under two years of age.

This Friday, August 5th, at McNamara Pool, youth can swim free of charge from 1 to 7 pm. When the pool closes, there will be a screening of Disney Pixar's Luca on the grass soccer field right next to the pool.



Public Works in Action

Crews tapped a new 1" service line on E. Childs Ave



Crews repaired a water main break near the post office on M. Street.



Crews upgraded water service line from 1" to 2" on Nashville Court



Crews tapped and installed a water service line on S. Coffee Street



Public Works in Action

Tree trimming of the Eucalyptus Grove along M Street





Tune into 1480kyos.com this Saturday morning, August 6, between 7 to 10 a.m. to hear **Captain Joe Weiss with Merced PD** talk about the PD's upcoming Community Academy.

Reports and Correspondence

- | | |
|----------------------------------------|--------|
| 1. Boys & Girls Club Annual Gala Flyer | Pg. 7 |
| 2. NAACP Freedom Fund Banquet | Pg. 8 |
| 3. Merced PD Community Academy Flyer | Pg. 9 |
| 4. PC Action Memo | Pg. 10 |



**BOYS & GIRLS CLUB
OF MERCED COUNTY**

SAVE THE DATE

Great futures begin here
28th Annual Dinner Gala

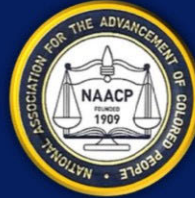


Friday, September 30th, 2022

6:00 | 9:00 PM

615 West 15th Street
Merced, CA 95340

MERCED COUNTY NAACP BRANCH #1047
P.O. Box 1107, Merced CA 95341 (209) 354-6168
62nd ANNUAL FREEDOM FUND BANQUET



DINNER PROGRAM / ADVERTISEMENT

Please check and initial next to advertisement choice. All artwork must be photo-ready.
 Deadline for Program Advertisement: September 1, 2022
 We agree to participate in the October 1, 2022 Freedom Fund Banquet with the following

Full-Page Advertisement	Cost: \$500.00	_____
Half-Page Advertisement	Cost: \$250.00	_____
Quarter Page Advertisement	Cost: \$125.00	_____
Patron/Business Card	Cost: \$ 50.00	_____

Tables for 8

Elite: \$1,000

1. 30 Second Commercial on NAACP Website
2. Full Page Ad
3. Personal Server
4. Wine on Table
5. Live Auction Paddle

Deluxe: \$650.00

1. Half Page Ad
2. Logo on NAACP Website
3. Live Auction Paddle

General \$75.00

1. Dinner
2. Live Auction Paddle

Contact Name: _____

Organization Name: _____

Address: _____

Contact Telephone: _____

Contact Signature: _____

FOR FREEDOM FUND BANQUET COMMITTEE ONLY:
 Ad Form Received by (Enter FFB Committee Member Name Receiving Form):

_____ Date: _____

MERCED POLICE DEPARTMENT

*Do you want to learn more
about your Police Department ?*

Join our Community Academy!



**NEXT SESSION
BEGINS:
AUGUST 24TH
2022**



**Interactive
hands on
exercises!**

Class Activities



- Schedule is 6pm to 9pm on Wednesdays for 10 weeks and one Saturday.

Class Meets



**Hiring Process
Community
Engagement
Training Standards
Field Operations
Investigations and
more!**

Learn About

**For more Information
Contact:
Sgt. Jose Barajas**

(209) 388-7828

barajasj@cityofmerced.org

City of Merced
MEMORANDUM

DATE: August 4, 2022
TO: City Council
FROM: Kim Espinosa, Planning Manager
SUBJECT: Actions at the Planning Commission Meeting of August 3, 2022

At their meeting of August 3, 2022, the Planning Commission heard and approved Commercial Cannabis Business Permit #21-05 to permit the construction and operation of a facility for indoor cultivation at 847 Beechcraft Ave.

The Planning Commission also recommended approval to the City Council of Environmental Review #22-26 (Categorical Exemption) and Density Bonus #22-02 involving a request to permit an increase in density and provide for concessions to development standards to allow the construction of 4 affordable permanent supportive housing units on a 0.46-acre parcel at 73 S R St.

The Planning Commission continued to the August 17, 2022 Planning Commission meeting the public hearing for Vesting Tentative Subdivision Map #1321 for the Long Property Subdivision for 148 single-family lots on 41.6-acres, generally located south of Cardella Road (extended) and west of Fahrens Creek.

The Planning Commission heard and continued to the August 17, 2022 Planning Commission meeting the Appeal of a one-year extension for Vesting Tentative Subdivision Map #1291 for Bright Development which would allow for the subdivision of approximately 39.8-acres of land into 131 single-family lots, generally located on the east side of G Street at Merrill Place (extended).

If you have any questions about these items, please feel free to contact me.

CITY OF MERCED
Planning Commission

Resolution #4095

WHEREAS, the Merced City Planning Commission at its regular meeting of August 3, 2022, held a public hearing and considered **Commercial Cannabis Business Permit #21-05**, initiated by Oktay Senvardarli (Oak Senvar) and Muhamed Almutarreb for Moak, Inc., on behalf of Moak, Inc., property owners. This application is to permit indoor Cultivation of medicinal cannabis and medicinal cannabis-based products at 847 Beechcraft Avenue using a 43,045 square-foot vacant lot. The property is zoned Light Industrial (I-L), with a General Plan designation of Manufacturing Industrial (IND); also known as Assessor's Parcel Number (APN) 059-640-027; and,

WHEREAS, the Merced City Planning Commission concurs with Findings A through K (Exhibit B) of Staff Report #22-432; and,

NOW THEREFORE, after reviewing the City's Draft Environmental Determination, and discussing all the issues, the Merced City Planning Commission does resolve to hereby adopt a Categorical Exemption regarding Environmental Review #21-31 and approve Commercial Cannabis Business Permits #21-05, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner Dylina, seconded by Commissioner Greggains, and carried by the following vote:

AYES: Commissioners Camper, DeAnda, Delgadillo, Dylina, Greggains, White, and Chairperson Harris

NOES: NONE

ABSENT: NONE

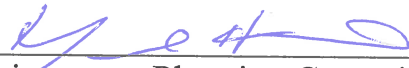
ABSTAIN: NONE

PLANNING COMMISSION RESOLUTION #4095

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August 3, 2022

Adopted this 3rd day of August 2022



Chairperson, Planning Commission of
the City of Merced, California

ATTEST:



Secretary

Attachment:

Exhibit A – Conditions of Approval

Exhibit B – Findings and Considerations

Conditions of Approval
Planning Commission Resolution #4095
Commercial Cannabis Business Permits #21-05

1. The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan), Exhibit 2 (floor plan), and Exhibit 3 (Elevations)- Attachments C, D, and E of Staff Report #22-432, and all other application materials submitted by the applicant, including business plans, security plans, etc., except as modified by the conditions.
2. All conditions and requirements contained in Merced Municipal Code Section 20.44.170, “Regulation of Commercial Cannabis Activities— Commercial Cannabis Business Permit Required” shall apply.
3. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant’s project is subject to that other governmental entity’s approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, suits, or proceeding. Developer/applicant shall be responsible to immediately prefund the litigation cost of the City including, but not limited to, City’s attorney’s fees and costs. If any claim, action, suits, or proceeding is filed challenging this approval, the developer/applicant shall be required to execute a separate and formal defense, indemnification, and deposit agreement that meets the approval of the City Attorney and to provide all required deposits to fully fund the City’s defense immediately but in no event later than five (5) days from that date of a demand to do so from City. In addition, the

developer/applicant shall be required to satisfy any monetary obligations imposed on City by any order or judgment. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.

4. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
5. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control. State Law shall prevail in regards to cannabis activities as permitted by State Law.
6. The proposed project shall comply with all applicable regulations of the State of California including, but not limited to, those found in the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), as it may be amended or updated from time to time.
7. The proposed project shall provide that all cultivation activities occur indoors within a fully enclosed and secure structure, and ensure that the property on which the structure sits is secure and appropriately screened from public view. The details of the property's fencing, security, and screening are to meet the approval of the Director of Development Services and Chief of Police prior to the issuance of a Certificate of Occupancy.
8. The proposed buildings shall comply with the definition of greenhouse as stated in MMC Section 20.44.170C 20, 22, and 23.
9. The applicant shall meet the standards of the City of Merced's "Commercial Building Permit Application Submittal Requirements" (Attachment H of Staff Report #22-432) at the time of submittal for building permits for tenant improvements.
10. The applicants shall keep on the premises of the proposed project site a physical copy of the approved plans, to be annotated and updated

accordingly with any notes, changes, or requirements determined to be necessary by representatives of the City of Merced or any contractors that the City of Merced may employ for the purpose of site inspections. These plans shall be made available to the City's representatives, employees, agents, inspectors, or contractors upon request.

11. The facility operated by the applicants shall be secured from intentional or accidental access by any person not employed, contracted, or otherwise authorized on the premises, including any tenants of other buildings on the same property.
12. Fire sprinklers shall be installed to accommodate the building configuration and process configuration prior to occupancy.
13. Regulatory Fees, as per Resolution #2021-43, are to be paid prior to the issuance of a Certificate of Occupancy and annually thereafter on or before the anniversary date of the business opening. The Regulatory Fee may be amended from time to time based upon actual costs. The amount of the fees shall be adjusted annually to account for inflation by using the Consumer Price Index (CPI). In no event, shall the fees in any year be less than the preceding year.
14. Prior to issuance of a Certificate of Occupancy, applicant shall acquire a City of Merced Business License.
15. A Commercial Cannabis Business Permit is valid for one year or until December 31 of each year, unless sooner revoked. Applications for the renewal of a permit shall be filed with the Director of Development Services, in accordance with MMC 20.44.170(L)(5), "Commercial Cannabis Business Permit Renewal (All Types)", at least sixty (60) calendar days before the expiration of the current permit. If the permittee allows their permit to lapse, they shall be required to submit a new application, pay corresponding fees and be subject to all aspects of the selection process.
16. Future modifications to the scale, scope, activities, implementation, processes, materials, design, layout, or other factors pertaining to the operation of the project that are consistent with permits to perform activities related to the cultivation of cannabis and cannabis-based products may be authorized with the approval of the Director of Development Services by submitting a request for Minor Modification, in accordance with MMC 20.44.170(L)(7), "Modifications to Commercial Cannabis Business Permit (All Types)".

17. In the event that a proposed Minor Modification is submitted by the applicant that includes an expansion of building space being used, Staff shall reevaluate parking needs and the applicant shall provide additional parking if necessary.
18. If the site is to be gated, there must be a minimum 22-foot-wide clearance for emergency vehicles to pass through when the gate is opened. If the gate requires manual operation, the applicant shall provide a Knox padlock, prior to issuance of a Certificate of Occupancy. If the gate requires electronic operation, prior to issuance of a Certificate of Occupancy, the applicant shall provide a Knox override switch with “Click-to-Enter.” Access to this equipment shall be provided to the City of Merced Police, Fire, and Refuse Departments.
19. Prior to commencement of cannabis growing activities, applicant shall provide an estimated volume of City water to be used annually to the City Water Department, and shall have floor plans, equipment, material sheets, and such other materials/plans/permits as deemed necessary approved by the Chief Building Official and Fire Chief.
20. The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.
21. The applicant shall work with the City’s Refuse Department to determine the proper location for a trash enclosure and if a recycling container will be required to comply with AB 341. The container(s) shall be enclosed within a refuse enclosure built to City standards.
22. The parking lot layout shall comply with all applicable City Standards. Applicant shall obtain an encroachment permit with the City Engineering Department if necessary.
23. The applicant shall meet the standard parking requirement using the regulation for Warehousing, Wholesaling, and Distribution uses by on-site parking or by obtaining off-site parking at the approval of the Site Plan Committee via a shared parking agreement with an adjacent lot or one that is a maximum of 400 feet from the proposed property, per MMC Section 20.38.040 C – General Requirements.
24. Appropriate turning radii shall be provided within the parking areas to allow for Fire engine and refuse truck access.

25. The applicant shall provide or cause to be provided the necessary Accessible Parking Spaces in accordance with Table 11B-208.2, “Parking Spaces” of the California Building Code, Title 24, Part 2.
26. In accordance with Table 20.38-4, “Required Bicycle Parking Spaces” of the City of Merced Zoning Ordinance, the applicant shall provide or cause to be provided a minimum of 3 short-term and 3 long-term bicycle parking spaces.
27. The applicant shall provide required loading spaces in accordance with Table 20.38-5, “Required Loading Spaces.”
28. Signage shall be limited to no more than fifty square feet and must comply with MMC 20.44.170(I)(2) that no exterior evidence of cannabis cultivation shall be visible from the public right-of-way. The display of the name of the facility shall not be construed on its own to provide such evidence. Details to be worked out with Planning staff.
29. Security practices shall comply with all standards under the State and local standards within MMC Section 20.44.170 E (3).

Findings and Considerations
Planning Commission Resolution #4095
Commercial Cannabis Business Permits #21-05

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) The proposed project complies with the General Plan designation of Manufacturing Industrial (IND) and the zoning classification of Light Industrial (I-L) with approval of a Commercial Cannabis Business Permit.

Land Use Issues

- B) The subject site is more than 1,000 feet from any schools and more than 600 feet from any day care centers, youth centers, libraries, or public parks that are currently in existence, as is required by Section 11362.768 of the Health and Safety Code and Section 20.44.170(E)(3)(f) of the Merced Municipal Code (MMC).

Proposed Operations

- C) The applicant intends to establish and operate an indoor cultivation facility for medicinal cannabis and medicinal cannabis-based products to be sold to other licensed cannabis businesses; shall not be sold to members of the general public. Products shall be distributed by a hired, licensed cannabis distributor as this permit only allows for commercial cannabis cultivation. Proposed operating hours are Monday through Friday, from 8:00 a.m. to 5:00 p.m., with an anticipated staff of three (3) Technicians at start up with a total of eight (8) employees within 12 months of operation. A brochure from Prospiant Commercial Greenhouses, the company the applicant has chosen to provide the structures for their operations, can be found at Attachment I of Staff Report #22-432.

Traffic/Circulation

- D) As the project is proposed on a vacant lot, the parking lot layout shall be designed per City standards and all necessary permits shall be obtained by the applicant (Condition #22). The proposed layout will be reviewed at the building permit stage. Due to conformity with the zoning and land use for the site, no concerns related to traffic or circulation have been raised as a result of this project.

Parking

- E) With the proposed building to be constructed at approximately 17,280 SF, the applicant is proposing to use the entire space of this building. Using the regulation for Warehousing, Wholesaling, and Distribution, the number of required spaces is 1 per 2,000 square feet of floor area, or 8 spaces (with the standard 15% reduction for floor area). Bicycle parking spaces, Accessible spaces, and Loading Spaces shall be provided as required in Conditions #24, #25, and #26. Per the proposed site plan, the applicant is providing 9 spaces, the requirements are exceeded.

Neighborhood Impact/Interface

- F) The subject site is surrounded by industrial uses to the north and west of the property and vacant lots to the south and east. The fact that the facility will be screened and maintained indoors with HVAC and air-filtering equipment to prevent odors, staff believes that approval of this request should not have a significant impact on the surrounding area.

A public hearing notice was circulated in the Merced County Times and mailed to property owners within 300 feet of the subject site three weeks prior to this public hearing. As of the date that this report was prepared, staff has not received any comments from the community about this project.

Signage

- G) Currently submitted plans do not show any request for signage. Any future signage must comply with Condition #28 and are limited to 50 square feet maximum. Any signs shall not provide evidence of cannabis cultivation activities. The display of the name of the facility shall not be construed on its own to provide such evidence.

Safety/Security

- H) The applicant proposes to install wired IP-based cameras located at 25-foot intervals along the roof line that will record for a minimum of 90 days and record at 30 fps or greater. The system will have a battery backup and a generator to power the camera system during outages for a minimum of 12 hours. All recordings will be archived to be provided at the request of the local police. An armed guard, hired from a licensed security company, will be located at all points of access that does not have a 24/7 alarm programmed, including the secondary security door (inside facility). All security practices shall comply with the standards contained in MMC Ordinance Section 20.44.170 E (3) (Condition #29).

Ownership

- I) Moak, Inc. has two (2) owners with 5% or more interest in the proposed business. Muhamed Almutarreb and Oktay Senvardarli each own more than 5% of the proposed business and have each performed a Live Scan check and have successfully passed background checks to the satisfaction of the Chief of Police.

Modification to Operations

- J) City staff recognizes that the details of operating a business, particularly one in a developing sector such as cannabis and cannabis-based products, requires continual updating of business practices, methodologies, and tools, the modification of which may require alterations to the configuration of the equipment, setup, or layout of the facility. In order to allow for these changes while maintaining the safety of all parties involved, modifications to the permit in the course of cultivation and/or distribution of cannabis and cannabis-based products may be requested by the applicants by submitting a request for Minor Modification, in accordance with MMC 20.44.170(L)(7), "Modifications to Commercial Cannabis Business Permit (All Types)" (Conditions #15 and #16).

Environmental Clearance

- K) The project proposes to construct a building on an in-fill site comprised of approximately 43,045 square-feet. Planning staff has conducted an environmental review (Environmental Review #21-31) of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Categorical Exemption (no further environmental review is required) is being recommended (Attachment J of Staff Report #22-432).

CITY OF MERCED
Planning Commission

Resolution #4093

WHEREAS, the Merced City Planning Commission at its regular meeting of August 3, 2022, considered **Density Bonus #22-02**, initiated by Custom Containers 915 and Merced Rescue Mission, on behalf of the Housing Successor Agency, property owner. This application involves a request to consider Density Bonus #22-02 which permits an increase in density, and provides for concessions to development standards and ordinance restrictions to allow the construction of 4 affordable permanent supportive housing units and a manager's unit, within two duplex (two-stories each) and a future single-story accessory dwelling unit on a 0.46-acre parcel at 73 S. R Street. The subject site is generally located on the west side of R Street, approximately 225 feet south of Childs Avenue. The site has a Zoning Classification of Low Density Residential (R-1-6) with a General Plan Designation of Low Density Residential (LDR); Assessor's Parcel No. 059-256-004.; and,

WHEREAS, the Merced City Planning Commission concurs with Findings/Considerations A through F of Staff Report #22-448 (Exhibit A); and,

NOW THEREFORE, after reviewing the City's Draft Environmental Determination, and fully discussing all the issues, the Merced City Planning Commission does resolve to hereby recommend to City Council adoption of Environmental Review #22-26 (Categorical Exemption) and recommends approval of Density Bonus #22-02, subject to the Findings set forth in Exhibit A, attached hereto and incorporated herein by the reference.

Upon motion by Commissioner Dylina, seconded by Commissioner Camper, and carried by the following vote:

AYES: Commissioners Camper, DeAnda, Delgadillo, Dylina, Greggains, White, and Chairperson Harris

NOES: NONE

ABSENT: NONE


ABSTAIN: NONE

PLANNING COMMISSION RESOLUTION #4093

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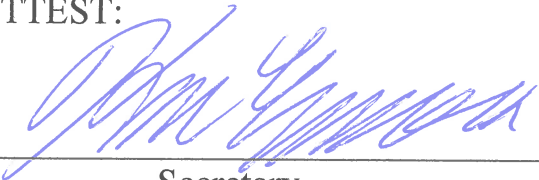
August 3, 2022

Adopted this 3rd day of August 2022



Chairperson, Planning Commission of
the City of Merced, California

ATTEST:



Secretary

Exhibits:

Exhibit A –Findings/Considerations

**Findings and Considerations
 Planning Commission Resolution #4093
 Density Bonus #22-02**

FINDINGS/CONSIDERATIONS:

State Density Bonus Law

- A) State Density Bonus Law (SDBL) states that a development which meets the requirements of the SDBL is entitled to receive the density bonus to increase the density of a project by right. This means that no discretionary review is required to allow an increase in the density of a project.

The City is required to grant the concession or incentive proposed by the developer unless it finds one of the following:

- That the proposed concession or incentive does not result in identifiable and actual cost reductions: or,
- Would cause a public health or safety problem: or,
- Would cause an environmental problem; or,
- Would harm historical property; or,
- Would be contrary to law.

The City has the burden of proof in the event it declines to grant a requested incentive or concession. Financial incentives, fee waivers, and reductions in dedication requirements may be, but are not required to be, granted by the City.

The number of required incentives or concessions is based on the percentage of affordable units in the project as shown in the table below:

No. of Incentives / Concessions	Very Low- Income Percentage	Low-Income Percentage	Moderate Income Percentage
1	5%	10%	10%
2	10%	17%	20%
3	15%	24%	30%
4	100% Low/Very Low/Mod (20% Moderate allowed)	100% Low/Very Low/Mod (20% Moderate allowed)	100% Low/Very Low/Mod (20% Moderate allowed)

A concession or incentive is defined as:

1. A reduction in site development standards or a modification of zoning requirements or architectural design requirements that exceed the minimum State building standards, such as reductions in setback,

square footage, or vehicular and bicycle parking space requirements. The requested concession or incentive must result in an identifiable and actual cost reduction to provide for affordable housing costs or rents.

2. Approval of mixed-use zoning for housing projects if associated commercial, office, industrial, or other land uses will reduce the cost of the housing project, and existing or planned development in the immediate area.
3. Other regulatory incentives or concessions that result in identifiable and actual cost reductions to provide for affordable housing costs, which may include the provision of direct financial incentives or land for the housing development by the City.

Concessions and incentives are differentiated from waivers and reductions in the SDBL. Projects that are eligible for a density bonus, and that are approved for concessions or incentives, cannot be subjected to any development standard that will have the effect of physically precluding the construction of the project. If a local development standard is found to have this effect, applicants have the option of requesting a waiver or reduction of any development standard that may preclude completion of the project; there is no limit on the number of waivers that may be requested. Waivers or reductions do not take the place of concessions or incentives that the project is qualified to receive.

In addition to waivers or reductions, upon request from the developer, the City may not require more than the following parking ratios for a density bonus project:

Studio	1 space
1 Bedroom	1 space
2 Bedroom	1.5 spaces
3 Bedroom	1.5 spaces
4 Bedroom	2.5 spaces

State Density Bonus Law requires local governments to grant an 80% density bonus on housing projects in which all the units (other than manager's units) are restricted to very low-, low-, and moderate-income residents, with a maximum of 20% restricted to moderate income units.

Additional information about Density Bonus Law is described in the Discussion Section of Planning Commission Staff Report #22-448.

Requested Density

- B) The applicant has requested an 80% increase in the density allowed on the project site. The General Plan designation of Low Density (LDR) Residential allows 2-6 dwelling units per acre. Based on this designation, the 0.46-acre site would be allowed a maximum of 3 units. Density Bonus law allows the requested density to exceed the density allowed by the General Plan and Zoning designations. The applicant is requesting a total of 4 units (for supportive housing) and a future accessory dwelling unit, which is an 80% increase over the allowed number of units. Because all the units, except the manager's unit, will be income-restricted to tenants whose income does not exceed 30% of the Area Median Income, the project is eligible for an 80% increase in the number of units allowed. Thus, the proposed 4 units and future accessory dwelling unit are in compliance with Density Bonus laws. The manager's unit is considered part of one of the duplexes, but the developer has the flexibility of adding a detached unit for a tenant or manager as an accessory dwelling unit allowed by State and local ordinances.

Zoning Ordinance Findings

- C) Merced Municipal Code Section 20.56.080 (C) establishes specific findings that must be made to approve a Density Bonus. These findings are as following:
- 1. The findings included in Section 20.56.030 (land Donation) if the density bonus is based all or in part on donation of land.*
This finding does not apply as the project does not include the applicant donating land to the City.
 - 2. The findings included in Section 20.56.040 (Child Care Facilities) if the density bonus, incentive, or concession is based all or in part on the inclusion of a child care facility.*
This finding does not apply as the project does not include a child care facility.
 - 3. The findings included in Section 20.56.070 (Modifying Development Standards) if the incentive or concession includes mixed use development.*
This finding does not apply as the project does not include a mixed use development.

4. *If a waiver or modification is requested, the developer has to prove by submitting substantial evidence that the waiver or modification is necessary to make the housing units economically feasible.*

The requested concession, incentive, waiver or modifications are outlined below along with the applicant's justification as to why the request is needed.

Concessions and Waivers

- D) The Zoning Ordinance has residential design standards for single-family homes and multi-family projects (3 units or more under one roof). The applicant is proposing duplexes which are not subject to any residential design standards in the City's Zoning Ordinance.

Concessions and Waivers

- E) Parking (Concession)

The applicant has requested a reduction in the number of parking spaces from 7 spaces to 6 spaces. State Density Bonus Law (SDBL) allows a decrease in the parking ratio required for each unit. The 4 proposed affordable permanent supportive housing units have a total of 22 bedrooms plus 1 managers office. SBDL does not show the number or parking required for units with more than 4 bedrooms, as requested by the developer. However, based on 4 bedrooms per unit, the total required parking under the density bonus requirements is over 10 spaces.

Under the City's Zoning Ordinance requirements, the project would be required to provide 7 parking spaces, which is less than referenced in the SDBL. The project includes 6 parking spaces, which is less than the 7 required per the City's parking requirements (refer to the Site Plan at Attachment D of Planning Commission Staff Report #22-448).

Justification:

The reduction in parking decreases the amount of paving required of the site, which decreases the overall cost of the project. Additionally, decreasing parking also enables greater utilization of the land for housing, which further decreases project costs.

Lot Area Per Unit (Waiver)

As previously described, staff is relying on the standards for the R-1-6 Zoning district. This standard allows one unit for every 6,000 square feet of lot area. The development proposes one unit for every 5,103 square feet of lot area.

Justification:

Decreasing lot area per dwelling unit allows for a greater building envelope which increases the efficiency of the development and decreases project costs per unit.

Maximum Number of Units on an R-1-6 Zone Lot (Waiver)

Per Chapter 20.08.040 – Additional Dwelling Units on R-1 Lots, the maximum number of units on an R-1-6 Zone lot is 3.

Justification:

The applicant is requesting an additional unit (as allowed per Density Bonus based on residents AMI) to sustain the financing plan for this development. The applicant could achieve the desired number of units by conducting a lot split, but that would result in an increase in entitlement fees and require separate utility connection fees for each newly created parcel; resulting in substantial increase in development cost. The ADU is allowed by right.

Duplex in R-1-6 Zone (Waiver)

Per Chapter 20.08.020 (B) – Land Use Regulations for Residential Zoning Districts, duplexes are allowed on residential lots with distinct frontages (generally corner lots).

Justification:

The subject site is an interior lot with one street frontage. Developing this site with duplexes provides cost saving benefits compared to developing 4 stand-alone residential units that require separate roofs, meters, and stand-alone foundation pads.

As described above, the applicant is requesting one concession and three waivers. Based on the affordability of the project, it is eligible for four concessions. There is no limit to the waivers requested. Without the requested concession, the project would not be feasible to build. The requested concessions would not result in any of the conditions listed in Finding A of this resolution that would result in the denial of the requested

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concessions. Therefore, the concession complies with State Density Bonus Law. Because the project is eligible for the requested concession, the City may not apply any development standards that would place a financial burden on the project and preclude the construction of the project. Therefore, the requested concession and waivers also comply with State law.

Environmental Clearance

- F) The adoption of the resolution is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15061 (b)(3) (Common Sense Exemption), because it can be seen with certainty that the adoption of the resolution will not have a significant effect on the environment and none of the circumstances in CEQA Guidelines Section 15300.2 applies (Attachment G of Planning Commission Staff Report #22-448).