

**DATE:** September 12, 2023

**TO:** Honorable Mayor and City Council

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Community Development Director

**VIA:** Kimbra McCarthy, City Manager

**TITLE:** **Gatekeeper Process Updates**



# STUDY SESSION MEMO

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## **PURPOSE**

The purpose of this Study Session is to obtain Council direction on the timing of future Gatekeeper authorization hearings, future modifications to the Zoning Ordinance (Chapter 36 of the City Code) regarding Gatekeeper exemptions from Council authorization hearings, and updates to the Gatekeeper Amendment Authorization Criteria.

## **BACKGROUND**

A “Gatekeeper” refers to a private development project proposed in combination with a requested legislative action by the City Council, such as a rezoning, a General Plan amendment, Precise Plan amendment, or Zoning Code amendment. Unlike development applications that comply with existing City regulations and are subject to the Permit Streamlining Act (PSA), the City has discretion to determine whether to consider projects that necessitate legislative changes to the City’s regulations (e.g., amendments to the General Plan, a Precise Plan, or Zoning) and have greater discretion in approving or denying such projects. Consequently, the City’s Zoning Ordinance grants Council control over the processing of Gatekeeper applications, taking into consideration the availability of staff resources and alignment with City objectives. With regard to staff workload, Gatekeeper projects are assigned third priority, following PSA development applications that must be processed in adherence to strict State-mandated review timelines and policy development mandated by the State (such as Housing Element implementation) and items on the Council work plan.

## **Council Study Session—April 2023**

As the Fiscal Year 2023-25 Council Work Plan was being developed, Council held discussions regarding potential modifications to the Gatekeeper provisions. These discussions were treated as separate from the work plan but simultaneously held due to their impact on staff workload. For the April 25, 2023 Council Study Session on the Fiscal Year 2023-25 Council Work Plan, staff

provided an informational memo regarding the history, process, authorization criteria, and exemptions of the current Gatekeeper regulations, as well as recommendations for considering future modifications (see [Attachment 2 to the April 2023 Study Session Memo](#)).

At the April 2023 Study Session, Council supported staff's recommended approach to updating Gatekeeper requirements, including:

- Retain the current Gatekeeper application requirements;
- Hold a Study Session in Q3 2023 to discuss modifications to Gatekeeper projects exempt from Council authorization hearings and updates to the Amendment Authorization Criteria (the purpose of this Study Session);
- Return to Council in Q1 2024 with draft Zoning Code amendments to address Council direction, incorporating input from the Environmental Planning Commission; and
- Accept Gatekeeper applications by June 30, 2024, after adoption of the code amendments, with a Council authorization hearing scheduled in Q3 2024.

## **DISCUSSION**

### **Frequency of Gatekeeper Authorization Hearings**

In recent years, the City has not held formal Gatekeeper authorization hearings due to staff vacancies, COVID pandemic impacts, and heavy workloads. Consequently, the City has received complaints about delays by interested applicants wishing to present Gatekeeper applications to Council for authorization.

As included in the 2023-31 Sixth Cycle Housing Element, the City is required to implement Program 1.3(g): "to hold at least one Gatekeeper meeting per year, which may be limited to residential or residential mixed-use projects only, creating greater opportunities for project-specific rezonings." For ease and consistency, staff recommends a Council authorization hearing be held annually for all Gatekeeper applications, whether residential or nonresidential. This timing allows for continuity and equal opportunity for all Gatekeeper applicants. Staff plans to utilize Council's annual summer recess to gather Gatekeeper applications and prepare initial assessments based on the Amendment Authorization Criteria, with the aim to hold a Council Authorization Hearing in Q3 annually.

***Question No. 1: Does Council support establishing an annual Gatekeeper Authorization hearing each calendar year?***

## **Gatekeeper Amendment Authorization Criteria**

The Amendment Authorization Criteria (“Authorization Criteria”) are adopted by Council as a tool for evaluating how a Gatekeeper application aligns with Council goals and adopted City objectives. The criteria are referenced, but not adopted in, the Zoning Code, which provides Council the flexibility to update the criteria periodically, adjusting as circumstances evolve. The Authorization Criteria also offer transparency and guidance to staff, applicants, and the public. They serve as key benchmarks for applicants to prepare their applications and for staff to review them equitably for Council consideration. The current Authorization Criteria are listed below.

### **Amendment Authorization Criteria (Current)**

1. Is the project in a General Plan Change Area?
2. Does the project provide additional affordable housing above what is required by the City Code?
3. Does the project propose community benefits?
4. Is the project near commercial services?
5. Does the project dedicate park land above what is required?
6. Does the project enhance environmental sustainability efforts?
7. Does the project improve transportation by enhancing mobility and connectivity?

### *Proposed Modifications to Authorization Criteria*

At the April 2023 Study Session, Councilmembers provided ideas for new Authorization Criteria to be considered, which included supporting business development within the City (existing or new) and introducing innovative projects.

In reviewing the current criteria, staff recommends restructuring to combine similar criteria, providing greater clarity on the intent of the criteria, and introducing new criteria based on suggestions provided by Council. In recommending revisions to the Authorization Criteria, staff also reviewed the Fiscal Year 2023-25 Council Goals and considered staff’s prior experience applying the criteria to past Gatekeeper projects. The revisions focus on:

1. ***Combining Criteria for Exceeding City Requirements***—For clarity, staff recommends combining multiple criteria (Criteria 2, 5, 6, and 7) to form one comprehensive criterion that highlights how a Gatekeeper project may exceed City requirements in key categories, including affordable housing, open space, sustainability, and mobility and connectivity.

2. ***Clarifications to Existing Criteria***—Staff recommends revising Criteria 3 and 4 to align with current City practices and to create clarity on the factors being evaluated.
  - **Community Benefits**—Revise the community benefit requirement in Criteria 3 to explicitly link it to the advancement of specific General Plan goals and/or Council Strategic Priorities. This adjustment will make it clear that a community benefit is an expected component of a Gatekeeper application that requires Council authorization, which is consistent with the City’s practice. Furthermore, by requiring applicants to demonstrate how their projects align with City goals, it will ensure that such benefits are related to community objectives, promote transparency, and aid staff in evaluating Gatekeeper applications more effectively.
  - **Proximity to Services**—Revise Criteria 4 to define a distance for a project being “near” services and expand the definition of “services” to reference a variety of important services in addition to commercial services, such as schools, retail/neighborhood-serving, and transportation. Additionally, staff recommends introducing a reference of one-half mile distance, as this is a common metric used throughout land use policies and is a comfortable walking distance. Adjusting this criterion to address locational advantages, or disadvantages, of a project is an important consideration, particularly in the City’s interest in supporting walkable neighborhoods.
3. ***Introducing New Criteria***—Building upon prior Council discussion, staff recommends the inclusion of two new criteria: (1) New Criterion 5 assesses how a nonresidential Gatekeeper application contributes to the enhancement of the business community through retention, expansion, or diversification; and (2) New Criterion 6 evaluates a Gatekeeper application’s innovation related to land use, project delivery, or type of development that advances General Plan goals.

Staffs recommended modifications are shown below, with red underlined text representing new or modified language.

**Amendment Authorization Criteria (Staff Recommendations)**

1. Is the project in a General Plan Change Area?
2. Does the project provide any of the following features additional affordable housing above what is required by the City Code:
  - a. Affordable housing;
  - b. Public open space (e.g., public park or privately owned, publicly accessible open space (POPA));
  - c. Environmental sustainability; and/or
  - d. Enhanced mobility and/or connectivity.
3. ~~Does the project propose Community Benefits?~~ What is the community benefit(s) provided by the project and how does it advance specific General Plan goal(s) and/or Council Strategic Priorities?
4. Is the project near within one-half mile of necessary services (e.g., schools, retail services, transportation)?
5. ~~Does the project dedicate park land above what is required?~~
6. ~~Does the project enhance environmental sustainability efforts?~~
7. ~~Does the project improve transportation by enhancing mobility and connectivity?~~
5. Does the project directly contribute to the growth or expansion of an established business or introduce a new business in an industry that is currently underrepresented in the City? (New Criterion)
6. Does the project propose an exceptionally innovative land use, development type, or project delivery system that advances General Plan goal(s)? (New Criterion)

**Question No. 2: Does Council support the modifications to the Gatekeeper Amendment Authorization Criteria, including:**

- A. ***Combining criteria that exceed City requirements?***
- B. ***Clarifying existing criteria, including the requirement for a community benefit(s) and proximity to important services?***
- C. ***Adding two new criteria related to supporting the business community and innovation?***

**Gatekeeper Exemptions**

By nature, Gatekeeper projects propose amendments to existing City regulations, encompassing the General Plan, Precise Plan, and/or Zoning. As these changes were not previously included in City regulations or addressed in prior policy planning, Gatekeeper projects can generate controversy. The review process for a Council-authorized Gatekeeper project often requires broader policy discussions regarding the proposed legislative changes. Consequently,

Gatekeeper projects involve Study Sessions and extended community outreach to obtain early public input and direction from the Environmental Planning Commission and Council at various stages of the project. The inclusion of this additional input, along with the complex nature of supplementary studies and environmental review, contributes to the extended review period for such projects.

In Fiscal Year 2017-18, Council adopted amendments to the Gatekeeper provisions in the Zoning Ordinance, allowing certain development projects with requested legislative modifications to be exempt from requiring a Council authorization hearing. The purpose of an exemption is to have a streamlined application process for projects with smaller or simpler legislative changes that are deemed noncontroversial and align with existing City goals. For projects that meet the exemption requirements, applicants can directly submit applications to the Planning Division to begin development review without a Council authorization hearing. These projects are processed in a streamlined manner typical to a comparably sized PSA development.

It is crucial to emphasize that although these projects are exempt from a Council authorization hearing (often referred to as “Gatekeeper Exempt”), they still require a legislative change and, thus, are still a Gatekeeper. Therefore, regardless of whether a Gatekeeper project is exempt from a Council authorization hearing or not, the City maintains the same authority to review and make decisions on the approval or denial of the legislative change required for the project.

A summary comparison of Gatekeeper projects authorized by Council or exempt from authorization is outlined in Table 1, along with further description on the attributes that define a Gatekeeper Exempt project below.

**Table 1: Process Comparison of Gatekeeper Projects**

<b>Required Components</b>	<b>Council Authorized</b>	<b>Exempt from Council Authorization (Gatekeeper Exempt)</b>
Council Authorization Hearing	Yes	No
Council Study Session	Yes	No
Environmental Planning Commission Study Session	Yes	Yes
Project site size	Any acreage	Under 2 acres
Community Benefit	Yes	No
Consistent with adjacent land uses and other City policies	Maybe	Yes
Policy question(s) for Council	Yes	No
Controversial	More likely	Less likely
Staff time to process	Longer	Shorter
Final hearing body—Council	Yes	Yes

Key attributes that define Gatekeeper projects exempt from a Council authorization hearing include:

1. **Consistent with Existing City Policies**—The existing exemptions align with Council and General Plan goals to expand housing opportunities as they pertain to: (a) rezoning split-zoned property by consolidating into one of the existing zones (historically used for residential or mixed-use projects); (b) conversions from industrial to residential land uses if adjacent property is also residential; and (c) to affordable housing projects authorized by the Notice of Funding Availability (NOFA) Council Subcommittee. Consequently, exempt projects do not require a Study Session to obtain Council direction.
2. **Noncontroversial**—The current exemptions encompass projects that are relatively noncontroversial in nature due to: (a) the smaller project size (sites under two acres); (b) consistency with existing or adjacent land uses; (c) focus on rezoning to residential uses; and (d) NOFA affordable housing projects, which require Council preauthorization for funding.
3. **Streamlined Process**—Exempt projects have a streamlined process as they:
  - a. Do not require a Council Study Session since there is no policy question, although an Environmental Planning Commission Study Session is typically held.
  - b. Do not include a community benefit due to their limited size and simpler legislative change, which includes utilizing an existing zoning district or General Plan Land Use Designation in the City; and
  - c. Do not require extensive staff time beyond a comparably sized PSA development.

In line with the attributes described above, the Zoning Ordinance currently allows the following Gatekeeper projects to be exempt from a Council authorization hearing per City Code Sections [36.52.15.e](#) and [36.52.55.f](#):

**Gatekeeper Exemptions (Current)**

1. Project sites within more than one (1) zoning district, under two (2) acres in total size, and owned by a single entity if the change is consistent with one (1) of the site's existing land use designations or land use types;
2. Project sites under two (2) acres in total size, abutting an existing residential zoned property, and proposed for conversion from an industrial to a residential zoning designation; and
3. Projects that require authorization by the Notice of Funding Availability (NOFA) Committee.

### *Proposed Modifications to Gatekeeper Exemptions*

When assessing modifications to the Gatekeeper exemptions, staff evaluated current City goals and the key attributes of exempt Gatekeeper projects described above. Staff revisions have additionally been informed by past history, frequent discussions with developers, and staff's experience. For the purposes of this Study Session, staff requests Council direction on the exemption categories that should be further developed and reviewed by the Environmental Planning Commission prior to returning to Council for consideration and adoption of Gatekeeper exemptions in a Zoning Ordinance Amendment. A summary of the exemption categories considered by staff are summarized below and provided in Table 2.

- **Category A: Project Site Size**—Staff does not recommend expanding the less than two-acre project site size. Enlarging the project size would potentially introduce greater controversy and impacts due to increased development intensity while also requiring additional staff time to process. For example, some recent projects have proposed greater than 100 units/acre, effectively doubling or tripling existing or adjacent site densities. Staff recommends retaining the less than two-acre site size to all Gatekeeper Exempt projects except for NOFA projects as they receive Council authorization through a separate funding process.
- **Category B: Remove Consistency with Existing or Adjacent Uses**—Staff does not recommend removing the current requirement that exempt projects are consistent with existing or adjacent land uses. Staff supports maintaining this compatibility requirement as it ensures the development project is expanding or enhancing an already existing land use within the neighborhood.
- **Category C: Conversion to Residential or Residential Mixed-Use**—The current exemptions focus on conversions to residential uses, which aligns with the Housing Element and City goals to increase housing opportunities. Expanding exemptions to allow conversions to nonresidential uses will require additional policy direction from Council and are better served through a Council authorization hearing process. However, in addition to the current industrial-to-residential rezoning exemption, staff proposes allowing: (a) residential-to-residential rezoning; and (b) rezoning to mixed-use for residential development projects that include an ancillary amount of neighborhood-serving commercial use (a maximum of 10% of the project). Introducing residential-to-residential rezonings allows for more housing opportunities, as a less than two-acre residential development could propose converting from one residential zoning district to another residential zoning district or Precise Plan that allows residential on the site. Additionally, introducing an allowance for a smaller mixed-use development can further support walkable neighborhoods and small business locations. Under either of these exemptions, staff notes that any request to rezone parcels must result in the project site aligning with



an existing zoning and/or General Plan designation within the City. The creation of a new zoning or General Plan designation would necessitate establishing new development standards and would be subject to the Council authorization hearing process, no longer allowing the project to be exempt.

It is important to note that introducing a mixed-use development exemption for Gatekeeper projects will require amendments to the Zoning Ordinance that go beyond the existing Gatekeeper provisions to ensure neighborhood-serving commercial uses are permitted in certain zoning districts which do not currently permit them (e.g., the residential zoning districts). If Council wishes to incorporate this exemption, staff recommends allowing for the Gatekeeper exemption to be incorporated into this update but allow for the broader changes to the Zoning Ordinance to be completed as part of the comprehensive R3 Zoning Update, which is planning to address neighborhood-serving commercial uses for mixed-use development in the residential zoning districts. In the interim, if a Gatekeeper application is received that wishes to pursue this exemption before the R3 Zoning Update is complete, then the project can absorb any related zoning amendment required to accommodate the project into the legislative updates being requested.

- **Category D: Exempt 100% Affordable Housing Projects**—This revision would enable 100% affordable housing projects to qualify for the Gatekeeper exemption process irrespective of whether they receive City funding through the NOFA process or not. This aligns with the Council priority to increase affordable housing in the City and was an idea previously raised by Council at the April Study Session. Staff is recommending this exemption for 100% affordable housing in combination with a less than two-acre size limit (discussed in Category A) but excluding the site size limit for City NOFA projects.
- **Category E: Increase Residential Density**—The current Gatekeeper exemptions allow a project to convert from split-zoned or industrial-zoned to residentially zoned, when abutting an existing residentially zoned property; however, there is no limit to the potential residential density increase when rezoning. For example, a developer could propose a Gatekeeper Exempt project that includes rezoning to 80 units per acre adjacent to an existing residential property developed at 25 units per acre. Due to developers' growing interest in higher-density residential projects, staff has received preliminary inquiries for potential Gatekeeper projects with similar types of increased density.

While the increase in residential density itself may continue to be a City goal, since it maximizes housing unit count, staff believes that a maximum density increase would be appropriate for Gatekeeper Exempt projects in order to retain neighborhood compatibility, provide transparency on the potential scale of new development, and would set a threshold that does not require Council policy direction. Therefore, staff recommends that the Gatekeeper exemption threshold be set at a density increase of not more than 25% above

the existing base residential density of the project site or an adjacent residential site, whichever is greater.

It is important to note that the City can determine the base density of a site; however, per State law, residential projects can receive a density bonus of up to 50% for all qualified projects and up to 80% for projects with a significant amount of lower-income units, along with concessions and waivers. Under this proposed Gatekeeper exemption for projects proposing increased residential density up to 25%, it could effectively lead to a Gatekeeper Exempt project proposing a density increase of 75% to 105% over the existing density or adjacent density (25% increase over base density + 50% to 80% density bonus = 75% to 105% density increase). Given the increase over existing base density that could result, staff recommends that applicants who propose rezonings with base density increases exceeding 25% would be required to go through the Gatekeeper Council Authorization hearing process. And, similar to Category C, any legislative change proposed under this exemption would need to align with an existing zoning district designation and/or General Plan Land Use Designation in the City.

- **Category F: Allow Innovative Projects**—Staff does not recommend exempting innovative projects that introduce new land uses, project delivery, or development type, as such projects inherently require policy direction from Council and extensive input from the community. Moreover, such projects may lack compatibility with existing adjacent uses. These characteristics will necessitate Study Sessions, supplemental studies, public outreach meetings, and processing times which would impact staff workloads.

**Table 2: Staff Recommendation on Modifications to Gatekeeper Exemptions**

Category	<u>Key Attributes of Gatekeeper Exemptions</u>			Staff Recommendation
	Consistent with Council Policy	Noncontroversial	Streamlined Process	
<b>A. Increase project site size to two (2) acres or more.</b>	<b>No.</b> Larger projects can have policy implications that require additional direction by Council.	<b>No.</b> Larger site sizes result in greater density or intensity, which can introduce greater community concerns.	<b>No.</b> Larger projects require more processing time for additional outreach, studies, and higher levels of environmental review, along with policy direction from Council.	<b>Retain current less than two-acre site size maximum; AND Apply to all exempt projects, excluding those authorized through NOFA process.</b>
<b>B. Remove consistency with existing or adjacent land uses.</b>	<b>No.</b> Removing consistency requirements with existing or adjacent land uses will require policy direction from Council and create incompatibility.	<b>No.</b> Removing this requirement will introduce more controversy due to inconsistent or incompatible land uses.	<b>No.</b> Introducing land uses that are not compatible will necessitate Council direction at Study Sessions, comprehensive studies, a higher level of environmental review, and extensive public outreach. This leads to increased workload for staff.	<b>Retain current requirements for consistency with existing or adjacent land use.</b>

Category	Key Attributes of Gatekeeper Exemptions			Staff Recommendation
	Consistent with Council Policy	Noncontroversial	Streamlined Process	
<b>C. Expand rezoning conversions to nonresidential uses.</b>	<p><b>No.</b> Introducing new uses that are not preexisting within the neighborhood will require Council policy direction.</p> <p><b>Yes.</b> Allowing residential-to-residential rezonings or rezonings to residential mixed-use with neighborhood-serving uses is consistent with General Plan goals.</p>	<p><b>No.</b> Introducing new nonresidential uses is change that requires extensive public outreach, studies, and Study Sessions.</p> <p><b>Yes.</b> Allowing neighborhood-serving uses with residential or residential-to-residential rezonings will not likely be controversial since it aligns with existing General Plan goals.</p>	<p><b>No.</b> Projects will require additional policy direction, public outreach, and studies and cannot be streamlined, resulting in higher impacts on staff time.</p> <p><b>Yes.</b> Allowing neighborhood-serving uses with residential or residential-to-residential rezonings will not increase processing timelines as the nonresidential use is ancillary or the existing land use is not changing.</p>	<p><b>Retain current focus on conversion to residential uses and retain split-zoned exemption;</b>  <b>AND</b>  <b>Allow for a maximum of 10% neighborhood-serving uses within residential projects and residential-to-residential rezonings.</b></p>
<b>D. Exempt 100% affordable housing projects, irrespective of City funding.</b>	<p><b>Yes.</b> Aligns with Council priority to increase opportunities for affordable housing.</p>	<p><b>Yes.</b> All affordable housing projects will be limited to a site size of less than two acres (<i>Category A</i>) and NOFA projects of any size, which will continue through the separate Council authorization process.</p>	<p><b>Yes.</b> Limiting project size to less than two acres (<i>Category A</i>) for all affordable housing projects, excluding NOFA projects, will ensure projects continue to be comparable to PSA projects for staff's workload.</p>	<p><b>Allow an exemption for 100% affordable housing projects consistent with Category A site size limitations. Retain existing NOFA exemption.</b></p>

Category	Key Attributes of Gatekeeper Exemptions			Staff Recommendation
	Consistent with Council Policy	Noncontroversial	Streamlined Process	
<p><b>E. Increase residential density by 25% above the existing site or adjacent site.</b></p> <p><i>NOTE: State law allows density bonuses, concessions, and waivers above any base residential density established.</i></p>	<p><b>Maybe.</b> While allowing more housing units aligns with Housing Element goals, density increases should be limited to: (a) no more than 25% above the existing site (if residential) or adjacent sites, whichever is greater; and (b) must align with an existing zoning and/or general plan designation in the City.</p>	<p><b>Maybe.</b> Capping the density increase to a maximum of 25% and requiring alignment with existing zoning and General Plan designations will minimize controversy as development standards will already exist. This provides a clear threshold on increased development and retains compatibility of uses.</p>	<p><b>Maybe.</b> Limiting the increase in density and requiring it to align with an existing zoning district and General Plan Land Use Designation will ensure that projects can be processed in a streamlined manner, which would reduce impact on staff workload.</p>	<p><b>Allow an exemption for residential projects that increase above the existing density on-site or above an adjacent site by no more than 25% (whichever is greater); AND</b>  <b>Is consistent with an existing zoning and/or General Plan designation in the City.</b></p>
<p><b>F. Allow innovative projects to be exempt.</b></p>	<p><b>No.</b> Projects that introduce new land uses or project components not currently identified in the Zoning Ordinance will require Council input and direction.</p>	<p><b>No.</b> The introduction of new land uses and development concepts may not be compatible with surrounding uses and will require policy direction from Council and extensive public outreach.</p>	<p><b>No.</b> Projects will need extensive outreach, Study Sessions, comprehensive studies, and more rigorous environmental review, making streamlined processing infeasible. This will significantly impact staff workload.</p>	<p><b>Do not make an exemption. Require Council authorization for such projects. However, add as a criteria to evaluate Gatekeeper application.</b></p>

**Question No. 3: Does Council support the following for Gatekeeper exemptions:**

- A. Retain a maximum site size of less than two (2) acres for all exemptions, excluding NOFA-authorized projects?**
- B. Retain consistency with existing and/or adjacent land uses?**
- C. Allow residential-to-residential rezonings and rezonings to residential mixed-use with no more than 10% neighborhood-serving commercial uses when rezoning is consistent with an existing zoning/General Plan Land Use Designation?**
- D. Allow 100% affordable housing projects, with or without City funding?**
- E. Allow residential projects with an increase of no more than 25% above existing or adjacent properties' base density, whichever is greater, and consistent with an existing zoning/General Plan designation?**
- F. Do not exempt innovative projects?**

**RECOMMENDATION**

Staff seeks Council direction on the frequency of Gatekeeper authorization hearings, updates to the Amendment Authorization Criteria, and Gatekeeper exemptions for potential amendments to the Zoning Ordinance. Staff encourages that amendments remain focused in order to ensure the timing aligns with the Housing Element Program, which requires completion of the zoning amendments in time for accepting Gatekeeper applications by June 30, 2024.

**Question No. 1: Does Council support establishing an annual Gatekeeper Authorization hearing each calendar year?**

**Question No. 2: Does Council support the modifications to the Gatekeeper Amendment Authorization Criteria, including:**

- A. Combining criteria that exceed City requirements?**
- B. Clarifying existing criteria, including the requirement for a community benefit(s) and proximity to important services?**
- C. Adding two new criteria related to supporting the business community and innovation?**

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- A. Retain a maximum site size of less than two (2) acres for all exemptions, excluding NOFA-authorized projects?**
- B. Retain consistency with existing and/or adjacent land uses ?**
- C. Allow residential-to-residential rezonings and rezonings to residential mixed-use with no more than 10% neighborhood-serving commercial uses when rezoning is consistent with an existing zoning/General Plan Land Use Designation?**
- D. Allow 100% affordable housing projects to be exempt, with or without City funding?**
- E. Allow residential projects with an increase of no more than 25% above existing or adjacent properties' base density, whichever is greater, and consistent with an existing zoning/General Plan designation?**
- F. Do not exempt innovative projects?**

**NEXT STEPS**

With Council's direction at the Study Session, staff will: (1) update the Amendment Authorization Criteria and bring the final version with the draft zoning amendments to Council for final review; and (2) analyze and prepare draft amendments to the Zoning Ordinance for review and recommendation by the Environmental Planning Commission to the City Council. Based on staff's recommendations in this memorandum, staff expects to come back to Council in Q1 2024 with a draft ordinance for review and adoption, in alignment with the requirements in the Housing Element. After the ordinance takes effect, applicants will have 90 days to submit a Gatekeeper application (estimated to be no later than June 2024), which is anticipated to be presented for Council consideration in Q3 2024.

**PUBLIC NOTICING**

Agenda posting, email to interested Gatekeeper applicants and developers, and posted on the City's website.

LH-AS/6/CAM  
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