



CITY of CALABASAS

PLANNING COMMISSION AGENDA REPORT
SEPTEMBER 13, 2021

TO: Members of the Planning Commission

FROM: Maureen Tamuri, AICP, Community Development Director
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DESCRIPTION: Consideration of a Planning Commission Resolution recommending to the City Council: 1) certification of the Final Environmental Impact Report (EIR); 2) adoption of the 2021-2029 Housing Element update and associated Land Use Element updates to the Calabasas 2030 General Plan, consistent with statutory requirements of California Housing Element law; and, 3) adoption of Ordinance No. 2021-395 amending Title 17 of the Calabasas Municipal Code adding new Sections 17.18.060 and 17.22.025, creating an “Affordable Housing Overlay Zone” and associated development standards for qualifying housing development projects; amending other sections within Title 17 of the CMC as necessary to be consistent with the added new sections; and updating the official zoning map; all as necessary to conform with the General Plan Housing Element and related updates.

STAFF RECOMMENDATION:

That the Commission adopt Resolution No. 2021-730 (Exhibit A) recommending to the City Council: 1) certification of the Final Environmental Impact Report (EIR); 2) adoption of the 2021-2029 Housing Element (Exhibit B) update and associated Land Use Element (Exhibit C) updates to the Calabasas 2030 General Plan, consistent with statutory requirements of California Housing Element law; and, 3) adoption of Ordinance No. 2021-395 (Exhibit D) amending Title 17 of the Calabasas Municipal Code adding new Sections 17.18.060 and 17.22.025, creating an “Affordable Housing Overlay Zone” and associated development standards for qualifying housing development projects; amending other sections within Title 17 of the CMC as necessary to be consistent with the added new sections; and updating the official zoning map; all as necessary to conform with the General Plan Housing Element and related updates.

BACKGROUND:

State housing element statutes (Government Code Sections 65580-65589.8) mandate that local governments adequately plan to meet existing and projected housing needs of all economic segments of the community. The law recognizes that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, California housing policy rests largely upon the effective implementation of local General Plans and in particular, local Housing Elements. Housing Element statutes also require the California Department of Housing and Community Development (HCD) to review local Housing Elements and to determine local compliance with State law.

California's Housing Element law requires that each city and county develop local housing programs to meet its "fair share" of existing and future housing needs for all income capacities and groups. Based upon a determined future housing need for the entire Southern California region, as assigned by HCD, the Southern California Association of Governments (SCAG) is responsible for developing and assigning the regional housing needs assessment, or "RHNA", to all Southern California cities and counties. For every RHNA planning period (an 8-year cycle), all cities and counties are required to update their Housing Elements to adequately accommodate the new RHNA allocation, which represents the minimum number of housing units each community is required to plan for by providing "adequate sites" through general plan and zoning. The current Housing Element for the City of Calabasas was updated and certified in 2013 – eight years ago. Therefore, the City's current housing element must be updated for the 2021-2029 planning period and it must accommodate the 6th cycle RHNA assigned to the City by SCAG. Sixth cycle Housing Element updates must be approved no later than October 15, 2021, and subsequently certified as compliant with California law by HCD. If the City is successful in obtaining certification from HCD, it will not need to revisit the housing element until 2029. HCD approval provides the City access to a variety of State housing funds, and bolsters legal protection to the General Plan because courts are more likely to deem it legally adequate.

In 2018, SCAG commenced coordination with local jurisdictions in preparation for the 6th cycle of RHNA. Initial coordination efforts focused on household forecast projections for the years 2030, 2035 and 2045. SCAG used these forecast projections to establish a household growth number for each local jurisdiction, which was then used to calculate the draft allocation. For the next three years, Planning staff worked diligently with SCAG to ensure that projections were realistic for the City's unique geographic constraints. Staff successfully convinced SCAG to reduce their initial projections, which resulted in a lower draft RHNA allocation compared to what the City would have received if the growth projections had not been reduced. The 6th cycle Final RHNA Allocation Plan was formally adopted by SCAG's Regional Council on March 4, 2021. The City of Calabasas was

allocated a total of **354** units distributed among the following income groups: 132 very low income; 71 low income; 70 moderate income; and 81 above moderate income units.

In April of 2020, the City and its housing policy consultant, Karen Warner Associates, Inc. (KWA), initiated preparation of the housing element update. On July 16, 2020, Planning staff and Ms. Warner of KWA conducted a public workshop before the Planning Commission to solicit input on housing needs and to confirm policy direction for the Housing Element. Staff updated the housing site inventory based on feedback from the Planning Commission, and posted the map of housing sites online for public comment. Additionally, staff developed an online survey with 11 questions for Calabasas residents to provide feedback on their preferences for various policy options. The survey was posted on the City website for six weeks; an advertisement with the website link was placed in the *Acorn*, and the *Las Virgenes Enterprise* (Valley News Group); and, a postcard was sent to every residential unit in the City. The City received 913 responses to the survey, which closed on September 30, 2020.

The City also conducted a Senior Housing Needs survey via an online survey and hardcopies distributed to residents at senior housing complexes. The City received 324 responses to the senior needs survey, which closed on May 21, 2021. The issues raised in both the surveys are addressed within the Housing Element's policies and programs. A discussion of the surveys and associated results is included on Pages V-4 of the attached draft Housing Element (see Exhibit C). Additional public participation and meeting information is outlined in Section V.A of the draft Housing Element. Furthermore, all meeting materials and a recording of each meeting may be accessed on the City website (<https://www.cityofcalabasas.com/government/community-development/2021-2029-housing-element-update/get-involved>).

On July 8, 2021, staff submitted the Draft 2021-2029 Housing Element to HCD for review. Comments from HCD were provided to the City on September 3, 2021, and will be provided to the Commission for reference.

Concurrent with the development of the 2021-2029 Housing Element Update, Rincon Consultants Inc., one of the City's retained environmental consultants, commenced preparation of necessary updates to the Land Use, Circulation and Safety Elements of the General Plan, as well as preparation of a Programmatic Environmental Impact Report (EIR). The Land Use Element updates are complete and ready for consideration; however, the Circulation and Safety Element updates will not be finalized until early 2022. The Draft EIR was completed on July 30, 2021 (Exhibit E), and circulated for public review.

STAFF ANALYSIS:

- A. Updated Residential Sites Analysis- An important component of the Housing Element is the identification of adequate sites for future housing development to

meet the City's RHNA allocation. Calabasas' 2021-2029 RHNA allocation is 354 units distributed among the following income groups: 66 extremely low income; 66 very low income; 71 low income; 70 moderate income; and 81 above moderate income units. The City plans to fulfill its share of regional housing needs using a combination of the following methods:

- Residential projects with development entitlements;
- Vacant residential sites;
- Underutilized multi-family residential and mixed-use sites; and
- Accessory Dwelling Units.

Following a recommendation by the Planning Commission and direction by the City Council, Calabasas' residential sites capacity from the above sources provides for approximately 1,200 additional units, including sites suitable for development of 318 lower income units, reviewed in detail in Section V.B. of the 2021-2029 Draft Housing Element. The RHNA is being met using existing multi-family or mixed-use zoning sites. No rezoning is proposed for this update; however, the update includes an increase in permitted density from 20 dwelling units per acre to 24 dwelling units per acre for sites in the CMU, R-MF(16) and R-MF(20) land uses designations. The density increase is required by HCD, which stipulates that 20 dwelling units per acres is the minimum permitted density for a site to accommodate affordable housing.

- B. Affordable Housing Overlay Zone- Another key component to implementing the Housing Element Update is the creation of an Affordable Housing Overlay Zone (AHO). To increase the production of affordable housing, and reduce the need for a substantially greater total number of new housing units, staff has developed an AHO at the direction of City Council. The overlay zone could be applied to any multi-family or commercial mixed-use zoned property, and would require a property owner to provide additional affordable housing in order to take advantage of a higher maximum allowable density. It is important to note that the AHO is not mandatory, a developer can choose whether or not to take advantage of the overlay. The additional affordable housing would be deed restricted as affordable for 55 years. For example, for any project that simply meets the City's inclusionary housing requirement of 5% of the units dedicated to very low income housing, a property owner would remain subject to the maximum allowable density of 24 dwelling units per acre for a parcel in the CMU or RM-24D zone. However, if the property owner proposes a project that includes at least 25% of the total units for very low and low income units, then the AHO would allow an increase in density to 40 dwelling units per acre or 50 dwelling units per acre for a 100% senior affordable project. As a result, it is the intent of the AHO to encourage development of more affordable housing by allowing greater density than would otherwise be permitted.

The proposed 40 dwelling units per acre is based on an Affordable Housing Overlay Feasibility Analysis prepared by Harris and Associates (Appendix D of the 2021-2029 Housing Element Update), which identified the appropriate density and mix of affordable housing units to be economically viable. Additional density may be permitted in accordance with the state Density Bonus Law. At this time, only eight sites in the Housing Inventory have been identified to be included in the AHO, however, additional sites may be added via a General Plan Land Use amendment and Zone Change approved by the City Council.

The AHO also modifies certain development standards in order to accommodate the proposed higher density. For example, staff has determined that the allowed Floor Area Ratio and height limit should be increased in order to support a higher density. The table below outlines the proposed changes to the Development Standards for properties within the AHO.

| Table 6 - X MULTI-FAMILY AND MIXED-USE AFFORDABLE HOUSING PROJECTS SITE DEVELOPMENT LIMITS | | | | | | | | |
|--|--------------------|---------------------|-------------------------|-------------------------------|-------------------------------------|--------------------------------|-----------------------|-----------------------|
| The site development limits below apply to multi-family housing projects and commercial mixed-use projects providing affordable housing units consistent with either the Inclusionary Housing requirements specified in CMC 17.22.020.A, or the Affordable Housing Overlay (AHO) zone, as articulated in CMC sections 17.18.060 and 17.22.025 for properties within the AHO zone and where the owner/developer elects to apply the AHO. For projects in either category, the standards herein supersede the corresponding standards for the respective underlying zoning district (reference Table 2-5 and Table 2-6). | | | | | | | | |
| | Zoning District(s) | Affordability Level | Min. % Affordable Units | Min. - Max. Allowable Density | Minimum Open Space | | Max. Allowable F.A.R. | Max. Allowable Height |
| | | | | | Common | Private | | |
| Inclusionary Housing | RM | Very Low | 5% | 20 - 24 d.u./ac. | 400 s.f. per unit% | 75 s.f. per BR, up to 225 s.f. | 1.10 | 35' |
| | RM | Low | 10% | | | | | |
| | RM | Moderate | 15% | | | | | |
| | CMU | Very Low | 5% | 20 - 24 d.u./ac. | 400 s.f. per unit% | 75 s.f. per BR, up to 225 s.f. | 1.10 | 35' |
| | CMU | Low | 10% | | | | | |
| | CMU | Moderate | 15% | | | | | |
| Affordable Housing Overlay (AHO) | RM - AHO (Rental) | Very Low and Low | 6.25% and 18.75% | 20 - 40 d.u./ac | 75 s.f. (combined average) per unit | | 1.4 | 50' |
| | RM - AHO (Owner) | Moderate | 25% | 20 - 40 d.u./ac | 75 s.f. (combined average) per unit | | 1.4 | 50' |
| | RM - AHO (Senior) | Very Low and Low | 50% and 50% | 20 - 50 d.u./ac | 75 s.f. (combined average) per unit | | 1.4 | 50' |
| | CMU - AHO (Rental) | Very Low and Low | 6.25% and 18.75% | 20 - 40 d.u./ac | 75 s.f. (combined average) per unit | | 1.5 | 50' |
| | CMU - AHO (Owner) | Moderate | 25% | 20 - 40 d.u./ac | 75 s.f. (combined average) per unit | | 1.5 | 50' |
| | CMU - AHO (Senior) | Very Low and Low | 50% and 50% | 20 - 50 d.u./ac | 75 s.f. (combined average) per unit | | 1.5 | 50' |
| | | | | | | | | |
| <i>Income Categories: Very Low = 31% - 50% of Area Median Income Low = 51% - 80% of Area Median Income Moderate = 81% - 120% of Area Median Income</i> | | | | | | | | |

C. Housing Programs- The 2014-2021 Housing Element identifies 20 housing programs for the current planning period. The goals and policies of the current element remain appropriate for the updated 2021-2029 Housing Element, and most of the housing programs remain appropriate for continuation. However, the following programs have either been completed or are otherwise no longer applicable, as discussed in the Housing Element Background Report (see esp. "Review of Accomplishments"):

- Universal Design/Vistability

Section V.C of the Draft 2021-2029 Housing Element summarizes the housing programs for the upcoming planning period. The list includes twenty-one (21) programs discussed in detail within the Draft 2021-2029 Housing Element, of which eight were updated/expanded and two are new from the current Housing Element. The eight updated/expanded programs include:

- Home Repair / ADU Assistance Program
- Preservation and Monitoring of Assisted Housing
- Residential Sites Inventory
- Promote Accessory Dwelling Units
- Annexation of Craftsman Corner
- Affordable Housing Assistance
- Density Bonus Ordinance
- Housing Opportunities for Persons Living With Disabilities

The two new programs include:

- Affordable Housing Overlay Zone
- Adaptive Reuse of Office Space

D. General Plan Consistency- The Calabasas 2030 General Plan is comprised of the following eleven elements: Land Use; Circulation; Housing; Conservation; Open Space; Parks and Recreation; Noise; Safety; Community and Economic Design; Cultural Resources; and Communications, Technology and Infrastructure. The City's 2014-2021 Housing Element was developed in conjunction with the other ten elements of the 2030 General Plan, and is entirely consistent with the policies and proposals set forth by the Plan. However, due to recent changes in state law the 2021-2029 Housing Element update requires updates to the Land Use, Circulation and Safety Elements of the 2030 General Plan in order to maintain internal consistency between all elements.

Land Use Element

While none of the sites are to be rezoned, the Housing Element update requires an increase to the base density of sites identified in the housing sites inventory and establishment of the above mentioned AHO. Specifically, the update includes an increase in permitted density from 20 dwelling units per acre to 24 dwelling units per acre for sites in the CMU, R-MF(16) and R-MF(20) land uses designations. The density increase is required by HCD, which stipulates that 20 dwelling units per acre is the minimum permitted density for a site to accommodate affordable housing. As a result, the Draft Land Use Element (Exhibit X) and Land Use Map (see figure X of Exhibit X) include proposed updates to remain consistent with the Draft 2021-2029 Housing Element.

Circulation Element

The Circulation Element of the Calabasas General Plan addresses broad issues of physical mobility, such as how goods and people move about within the community. Changes to the Circulation Element include an analysis of increased density around the Housing Site Inventory of the 2021-2029 Housing Element Update, as well as adding references to adopted VMT thresholds. Level of service is a measure to describe how well roadway intersections and other transportation facilities operate for drivers. Level of service thresholds were previously used as a metric to evaluate environmental impacts of proposed projects. These thresholds are replaced with VMT for purposes of environmental impact evaluations. VMT evaluates the number of miles traveled by each vehicle. This shift in standard is mandated by the State as part of Senate Bill 375 in keeping with the State's goals to reduce greenhouse gas emissions, encourage infill development and improve public health through active transportation (e.g., bicycling and walking). The Draft Circulation Element will be finalized at a later date and considered for adoption at a future public hearing.

Safety Element

The purpose of the Safety Element is to identify and, whenever possible, reduce the impact of natural and man-made hazards that may threaten the health, safety, and property of Calabasas residents, business owners, and visitors. The element emphasizes hazards reduction and accident prevention for known hazards and potential disasters. In addition, the element emphasizes the importance of reducing risk and the importance of disaster prevention and/or preparedness. Changes to the Safety Element that include geology and seismicity, stormwater management and flooding, fire hazards, and disaster response. A new section on climate change has been added in compliance with Senate Bill (SB) 379, which requires safety elements to include a climate change vulnerability assessment, measures to address vulnerabilities, such as wildfires, and comprehensive hazard mitigation and

emergency response strategy.

Assembly Bill (AB) 747 requires each jurisdiction to review and update the Safety Element of its General Plan to identify evacuation routes and capacity, safety, and viability under a range of emergency scenarios. This information must be included by January 1, 2022, or upon approval of the next update to the Local Hazard Mitigation Plan. Also approved in 2019, Senate Bill (SB) 99 requires jurisdictions, upon the next revision of the Housing Element on or after January 1, 2020, to review and update the Safety Element to include information identifying residential developments in hazard areas that do not have at least two emergency evacuation routes. Staff retained TSS Consultants to prepare a Wildfire Risk Assessment and Fehr and Peers to prepare an Emergency Evacuation Assessment. These reports were utilized to develop appropriate goals and policies for both the Safety and Circulation Elements to address AB 747, SB 99 and SB 379 discussed above. The Draft Safety Element will be finalized at a later date and considered for adoption at a future public hearing.

Environmental and Social Justice Policies

Senate Bill 1000 states that revisions or adoption of two or more elements of a general plan on or after January 1, 2018 trigger a requirement to “adopt or review the Environmental Justice Element, or the Environmental Justice goals, policies, and objectives in other elements.” Per Government Code §65040.12(e), environmental justice is “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.” Environmental justice goals, policies, and objectives must aim to reduce health risks to disadvantaged communities (DACs), promote civil engagement, and prioritize the needs of these communities.

The California EPA uses CalEnviroScreen, a mapping tool to identify disadvantaged communities throughout the State. CalEnviroScreen uses a variety of statewide indicators to characterize pollution burden (the average of exposures and environmental effects) and population characteristics (the average of sensitive populations and socioeconomic factors). According to the CalEnviroScreen mapping tool, there are no DACs identified in the City of Calabasas or the Craftsman Corner annexation area. While not required, the General Plan update incorporates policies suggested under SB 1000 to create economic and fair housing opportunities and avoid discrimination for all socio-economic groups. As a result, updates to the Housing, Land Use, Safety, and Circulation Elements include the addition of environmental and social justice policies that promote fair housing and economic opportunities consistent with the Affirmatively Furthering Fair Housing (AFFH) requirements under Housing Element Law.

ENVIRONMENTAL REVIEW:

Pursuant to the California Environmental Quality Act (CEQA), a Program Environmental Impact Report (EIR) was prepared by Rincon Consultants, Inc. for the Housing Element and associated Circulation, Safety and Land Use Element updates to the 2030 General Plan (see Exhibit E). The Program EIR analyzes potentially significant environmental impacts associated with reasonably foreseeable development under the General Plan Update and addresses appropriate and feasible mitigation measures or project alternatives that would minimize or eliminate these impacts. The following areas were identified where the project may have a potential effect on the environment; biological resources, noise, geology and soils, and cultural resources. All areas listed as potentially significant have been mitigated to levels that are no longer significant due to the inclusion of mitigation measures. Please refer to the EIR for a summary of the identified mitigation measures.

In accordance with CEQA, a Notice of Preparation (NOP) of the Program EIR was distributed for a 30-day agency and public review period starting on February 8, 2021 and ending on March 9, 2021. The City held an EIR Scoping Meeting on February 22, 2021. The scoping meeting, held via Zoom (due to Covid-19 restrictions) at 6:00 PM, was aimed at providing information about the proposed project to members of public agencies, interested stakeholders and residents/community members. The City received letters from five agencies in response to the NOP during the public review period, as well as various verbal comments during the EIR Scoping Meeting. The NOP is discussed in Appendix A of the Program EIR, along with the NOP comments received.

In accordance with CEQA, the Draft Program EIR was circulated for review by responsible agencies, as well as the State Clearinghouse, and the public. The Draft Program EIR was available for public review at City Hall, the Library, and on the City website. The required 45 day review period began on July 30, 2021, and ends on September 13, 2021.

REQUIRED FINDINGS:

The findings required in Section 17.76.050(A) and 17.76.050(B) of the Calabasas Municipal Code for general plan amendments and zoning map or development code amendments are contained in the resolution attached as Exhibit A.

ATTACHMENTS:

- Exhibit A: Resolution No. 2021-730
- Exhibit B: Draft 2021-2029 Housing Element

- Exhibit C: Draft Land Use Element
- Exhibit D: Draft Ordinance No. 2021-395
- Exhibit E: Draft Environmental Impact Report (EIR)
- Exhibit F: DEIR Comment Letters
- Exhibit G: Public Correspondence
- Exhibit H: HCD Comment Letter