



City of Culver City

Staff Report

File #: 22-936, Version: 1

Item #: A-3.

CC - ACTION ITEM: (1) Discussion of Options Regarding the Preparation of an SB 9 Implementation Ordinance; and (2) Direction to the City Manager as Deemed Appropriate.

Meeting Date: April 25, 2022

Contact Person/Dept: William Kavadas, Assistant Planner
Erika Ramirez, Current Planning Manager

Phone Number: (310) 253-5706

Fiscal Impact: Yes No

General Fund: Yes No

Attachments: Yes No

Commission Action Required: Yes No **Date:** TBD

Public Notification: (E-Mail) Meetings and Agendas - City Council (04/20/2022);

Department Approval: Sol Blumenfeld, Community Development Director (04/18/2022),

RECOMMENDATION

Staff recommends the City Council (1) discuss options regarding the preparation of an SB 9 implementation ordinance; and (2) provide direction to the City Manager as deemed appropriate.

BACKGROUND

On September 16, 2021, Governor Newsom approved Senate Bill 9 ("SB 9"), entitled the California Home Act, which became effective on January 1, 2022. SB 9 requires cities to both: (1) allow any lot in a single-family residential zone to be split, roughly into halves, with resulting lots as small as 1,200 square feet ("urban lot splits"); and (2) allow any lot in a single-family residential zone to be developed with up to two single-family primary dwellings ministerially ("two-unit projects") without discretionary review, if the proposed development meets certain requirements. A copy of the complete text of SB 9 is included as Attachment 1.

At the October 25, 2021 City Council meeting, Council Member Eriksson received support from the Council to discuss the preparation of an SB 9 implementation ordinance at a future City Council meeting.

On December 10, 2021, City Council held a discussion regarding implementation of SB9 generally laying out the following principles:

- Preservation of Existing Trees
- Protection against speculative development
- Allowance for more housing close to transit
- Creation of more affordable housing

At the end of the meeting, City Council directed staff to come back with a menu of options for potential inclusion in an SB 9 implementation ordinance.

In March of 2022, the California Department of Housing and Community Development issued a SB 9 “Fact Sheet” which is attached as Attachment 2.

DISCUSSION

Policy Considerations for a Potential SB 9 Implementation Ordinance:

Staff has prepared a list of development regulations that are required by law and those that the City has the option to consider. The following provisions are mandated by State Law:

Mandatory SB9 Provisions for Two-Unit Projects:

- SB9 is only valid on properties zoned single-family (R1).
- SB9 units can either be attached or detached.
- Units created as a result of SB9 cannot be used for short term rentals less than 30 days.
- SB 9 does not apply to parcels located on prime farmland or farmland of statewide importance, land zoned or designated for agricultural protection or preservation, wetlands, land identified for conservation or under conservation easement, or habitat for protected species. Historically designated properties are also exempt from SB9.
- SB9 applies to parcels located in high fire severity zones, hazardous waste sites, delineated earthquake fault zones, special flood hazard areas, and regulatory floodways so long as the construction complies with state and local mitigation measures.
- Two-Unit Projects are allowed by-right, but cannot require the demolition or alteration of the following types of housing:
 - Housing subject to recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.
 - Housing subject to any form of rent or price control. Per Culver City rent control, this applies to any structure built before 1995 unless specifically exempted by the Rent Control Ordinance.
 - Housing that has been occupied by a tenant in the last three years.
- Two-Unit Projects are prohibited on parcels where an owner of residential property has exercised the owner’s rights under Government Code Section 7060 to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.

- Two-Unit Projects are prohibited from demolishing more than 25 percent of existing exterior structural walls unless allowed by local ordinance or the site has not been occupied by a tenant in the last three years.
- Converted structures are not required to meet new setback standards, though all new construction must meet minimum setbacks of four feet from any side or rear property line.

Mandatory SB9 Provisions for Urban Lot Splits:

- The map can only create two parcels.
- The parcel being divided must not have been established through a prior lot split under this law.
- Neither the owner of the parcel being divided nor any other person acting in concert with the owner shall have previously subdivided any adjacent parcel under the law.
- The City must require that an applicant for urban lot split sign an affidavit stating that the applicant intends to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approval of the urban lot split. This does not apply to an applicant that is a “community land trust” or “qualified nonprofit corporation”.
- A correction of nonconforming zoning conditions may not be required.
- The City cannot require off-site dedications or improvements.

In addition to provisions that are already mandated by state law, there are additional policy options for the City Council’s consideration. Staff has prepared an SB9 Implementation Ordinance Checklist (Attachment 3) to facilitate City Council’s discussion regarding areas of potential modification or variation allowed by SB9. The following is a list of the discussion topics set forth in the Ordinance Checklist:

- Demolition of Existing Structures
- Urban Lot Split Lot Size
- Parking
- Setbacks
- Affordability
- Tree Preservation
- Floor Area Ratio
- Accessory Dwelling Unit Allowance
- Objective Design Standards
- SB9 Projects in Other Zones
- Lot Access for Urban Lot Splits

Staff recommends the City Council discuss the policy issues itemized in the Ordinance Checklist and provide direction to staff as deemed appropriate.

It is important to remember that state law prohibits certain reductions in housing intensity regulations. Therefore, any SB9 regulations put into place as part of this item may not be able to be revoked in the near future.

If the City Council directs staff to draft an Implementation Ordinance, it will be processed in due course with the Ordinance first being considered by the Planning Commission, which will make a

recommendation to City Council, unless the City Council directs otherwise. It is anticipated that this process would culminate with staff returning to City Council in late summer 2022, or shortly thereafter, with a proposed ordinance consistent with City Council's policy direction.

FISCAL ANALYSIS

There is no fiscal impact from discussing this item.

ATTACHMENTS

1. 2022-04-25 ATT SB 9 Text
2. 2022-04-25 ATT SB 9 HCD Fact Sheet
3. 2022-04-25 ATT Implementation Checklist
4. 2022-04-25 ATT High Quality Transit Map
5. 2022-04-25 ATT City Council Staff Report dated December 10, 2021
6. 2022-04-25 ATT City Council Minutes dated December 10, 2021

MOTION

That the City Council:

1. Discuss options regarding the preparation of an SB 9 implementation ordinance; and
2. Provide direction to the City Manager as deemed appropriate.