

# City of Culver City

Mike Balkman Council Chambers 9770 Culver Blvd. Culver City, CA 90232 (310) 253-5851

# **Staff Report**

File #: 21-18, Version: 1 Item #: C-15.

CC - Adoption of an Ordinance Approving a Zoning Code Amendment Modifying Development Standards for the Single-Family (R1) Residential Zone.

Meeting Date: July 13, 2020

Contact Person/Dept: Michael Allen/Current Planning Manager

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Fiscal Impact: Yes [] No [X] General Fund: Yes [] No [X]

Public Hearing: [] Action Item: [] Attachments: [X]

Commission Action Required: Yes [X] No [] Date: January 22, 2020

**Commission Name:** Planning Commission

**Public Notification:** (E-Mail) Meetings and Agendas - Planning Commission (1/16/2020); (E-Mail) Meeting and Agendas - City Council (05/21/2020 and 07/08/2020); (Posted) City Website (01/02/2020 and 05/21/2020); Single Family Residential Study Email List Serve (1/02/2020 and 05/21/2020); Gov Delivery (01/02/2020 and 05/07/2020); NextDoor (05/07/2020); (Published in) Culver City News (01/02/2020 and 05/07/2020)

**Department Approval:** Sol Blumenfeld, Community Development Director (06/03/20)

## RECOMMENDATION

Staff recommends the City Council adopt an Ordinance (Attachment No. 1) approving Zoning Code Text Amendment P2019-0036-ZCA modifying standards for the Single-Family (R1) Residential Zone.

#### **BACKGROUND**

On January 22, 2020, the Planning Commission recommended approval of the proposed Zoning Code Amendment with several modifications that included introduction of rooftop equipment screening standards, elimination of increased 30-foot second-story front yard setbacks, clarification of double height floor area measurement, and revision of floor area ratio (FAR) to 0.50.

At the May 26, 2020 City Council meeting, the City Council unanimously introduced the proposed Ordinance Zoning Code Amendment P2019-0036-ZCA, with modifications. Pursuant to City

Council's direction, Exhibit A to the proposed Ordinance was modified as follows:

- FAR is reduced from 0.50 to 0.45 to better reflect the input received by community members.
- Grading standard for neighborhood consistency has been added to ensure that new building pads in hillside neighborhoods with cross slope conditions maintain a grade that is the average elevation of the immediately adjoining lots calculated as the sum of the adjoining lot elevation divided by two.

During the June 22, 2020 City Council meeting, staff read into the record additional findings contained in the Ordinance with regard to the Zoning Code Amendment's consistency with SB 330, The Housing Crisis Act, 2019. Such findings do not change the substance of the Zoning Code Amendment.

On June 22, 2020, City Council continued the adoption of the proposed Ordinance to provide staff additional time to evaluate the proposed reduction of FAR from .60 to .45 and coordinate with the California State Department of Housing and Community Development (HCD) and representative of YIMBY Law related to SB 330, Chapter 12, the Housing Crisis Act of 2019 (the "Act"), as codified in Government Code Section 66300, and particularly regarding the prohibition of a local agency from adopting standards which reduce the intensity of housing (e.g. FAR, setbacks, height, etc.), as set forth in Government Code Section 66300(b)(1)(A).

### SB 330, The Housing Crisis Act, 2019

In October 2019, the Act (Attachment No. 3) was signed by Governor Newsom with the intent to address zoning ordinances that restrict the intensity of development on residentially zoned lots. Staff discussed the intent and provisions of SB 330 with representatives of HCD, as well as a representative of Senator Skinner's Office who authored the bill, and the City Attorney's Office. The following additional analysis and discussions are based on such discussions.

The State Senate Committee on Housing, Bill Analysis specified that the intent of the Act was to address zoning ordinances and other regulations that could reduce density and/or the space on a lot that a building can occupy in ways that lower the number of feasibly constructible units (underlined for emphasis). The proposed Ordinance does not result in a reduction to the number of units that can be constructed on a lot. Conversely, the Ordinance further advances City initiatives to build additional housing in the form of Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) by preserving buildable area on a lot, and incentivizing development of an ADU/JADU should a property owner wish to build-out their property to a floor area of up to .70, resulting in an actual increase in buildable floor area.

The Act included several declarations supporting adoption of SB 330 including the following:

- Declaration 5 There is a need for affordable homes at below market rate.
- Declaration 9 There is an increased cost for new housing construction.
- Declaration 10 Lengthy permitting processes and approval times, fees, and costs for parking exacerbate the cost of residential construction.
- Declaration 14 Reuse of existing infrastructure and developed properties and the construction of smaller homes with good access to schools, parks, and services will provide the most immediate help to produce the lowest greenhouse gas footprint per state resident.

Consistent with the Declarations of the Act, the proposed Ordinance encourages smaller footprint homes which result in more affordable housing costs and incentivizes the creation of additional housing via ADUs and JADUs which typically provide additional housing at below market rates. The construction of ADUs and JADUs also provide prospective buyers or existing owners a potential income source to offset their own housing costs and provide additional housing supply to multigenerational family members.

The proposed Ordinance eliminates the requirement for covered parking, further reducing construction costs for new homes and increasing buildable area for additional dwelling units as an ADU/JADU. Single-family homes are already permitted by administrative plan check, which reduces the review timeframes and thus the costs of construction. Lastly, the Ordinance encourages the preservation of existing infrastructure and developed properties by allowing an average expansion of between 450 and 1,050 square feet to the existing average sized single-family dwelling unit between 1,200 and 1,800 square feet, while also incentivizing ADU and JADU construction by allowing a property owner to realize an FAR of up to .70 by constructing an ADU/JADU. Incentivizing ADU and JADU construction also may provide additional smaller homes with nearby access to services, that reduce residential greenhouse gas footprint.

Section 2(c)(1) of the Act states that the intent of the legislation is to suspend restrictions on the development of <u>new housing</u> (underlined for emphasis). The proposed ordinance does not result in restrictions on the development of new housing. Single family neighborhoods in Culver City are already built-out and any construction in these neighborhoods involves the redevelopment of developed parcels. The Ordinance provides the ability for an average single-family home to expand while preserving smaller single-family homes, and consequently provides land area to build ADUs and JADUs, which incentivizes the development of new housing units should a property owner wish to realize built-out capacity of an FAR of up to .70 or more.

Government Code Section 66300(b)(1)(A) of the Act states that cities cannot adopt standards which reduce a parcel or parcels to a less intensive use or reduce the intensity of land use including FAR, setbacks, height, etc. However, as discussed above, the purpose of the Act, as defined by the State Senate Committee on Housing, was to limit such standards that would result in the reduction of the number of units that could be built on a lot or restrict the development of new housing. The declarations also state that the goals of the Act include preservation of smaller homes, reduction in construction and housing costs, and construction of additional housing units the proposed Ordinance does not result in restrictions to new housing or the decrease in the number of units that could be built on a R1 lot. Single-family zones in Culver City are built out and any new construction would be the result of redevelopment of existing developed parcels.

Further, Section 66300(b)(1)(A) must be considered in conjunction with Section (f)(3), which does not prohibit the adoption or amendment of a development policy, standard, or condition that, among other things, allows greater density, facilitates the development of housing, and reduces costs to a housing development project. The Ordinance facilitates the development of additional dwelling units through the construction of ADUs and JADUs; restricts the over-development of single family parcels, which has traditionally limited the ability to develop additional units via ADUs or JADUs; provides additional opportunities to construct ADUs and JADUs, effectively increasing the housing supply and reducing the costs of housing development; and does not propose any changes which result in a net loss of residential capacity.

Reduction of FAR for the primary dwelling unit from .60 to .45 preserves on-site open space that facilitates ADU and JADU development. Should a property owner seek to maximize their property development, an FAR of up to .70 could be realized by constructing a 2,250 square foot main dwelling (on an average 5,000 square foot lot) and an additional 1,200 square foot ADU or 850 square foot ADU/JADU combination.

Upon discussions with HCD, staff was advised that the proposed amendments were consistent with the intent of the Act and agreed that the language in the Act (e.g. FAR, setbacks, height, etc.) was included to preclude a local agency from adopting standards which restrict the development of the number of units allowed by the underlying zone. HCD did acknowledge, however, the language in Government Code Section (b)(1)(A) related to "intensity" was vague and, on its face, does not provide clear direct correlation to "density" or "unit count." This further demonstrates the need to consider specific regulatory provisions of the Act in the context of the entire Act and its legislative intent.

In addition, per the City Council's direction, staff is in the process of arranging a time to discuss these issues with YIMBY law representatives. As of the writing of this report, the meeting had not taken place. Staff will provide additional information during the City Council meeting.

#### Conclusion

After a thorough review of the legislative intent of the Act, its declarations, and discussion with HCD and the City Attorney's Office, staff believes the Ordinance is consistent with the Housing Crisis Act, 2019, in that the Ordinance does not propose standards which reduce the number of units that can be built on a parcel; the Ordinance accomplishes the Act's declarations by facilitating development of smaller homes while allowing the average single-family home to expand between 450 - 1,050 square feet; reduces construction and housing costs; and provides for the creation of additional, more affordable, and accessible housing units through incentivizing the construction of ADU/JADUs, which allows a property owner to enjoy an increased total buildable area of up to .70.

The proposed Ordinance is presented for adoption by the City Council.

#### **ENVIRONMENTAL DETERMINATION:**

The Project is considered exempt from CEQA pursuant to CEQA Guidelines Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the Project to amend the Zoning Code will have a significant effect on the environment. The proposed Zoning Code Amendment, modifying single family home development standards, by itself does not result in any physical changes nor any significant effects on the environment, and does not result in an intensification of development beyond what the Zoning Code already currently allows. Furthermore, the proposed Zoning Code Amendment is not in conjunction with the specific approval of any existing development or use permit applications. Therefore, any projects seeking approval subsequent to the proposed Zoning Code Amendment, would be subject to appropriate CEQA analysis at that time of any such application.

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# **FISCAL ANALYSIS:**

There are no fiscal impacts related to the adoption of the proposed Ordinance.

### **ATTACHMENTS**

- 1. 2020-07-13 ATT Proposed Ordinance and Exhibit A Code Amendments
- 2. 2020-07-13 ATT Residential Hillside Overlay Map
- 3. 2020-07-13 ATT SB 330, Housing Crisis Act of 2019

# **MOTION**

That the City Council:

Adopt the proposed Ordinance, Zoning Code Text Amendment P2019-0036-ZCA, to modify the development standards for the Single-Family (R1) Residential Zone.