



City of Culver City

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Staff Report

File #: 21-830, **Version:** 1

Item #: A-2.

CC - Adoption of a Resolution Establishing Guiding Principles for Culver City's 2021-2029 Housing Element Update.

Meeting Date: April 12, 2021

Contact Person/Dept: Ashley Hefner/CDD/Advance Planning
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Fiscal Impact: Yes No **General Fund:** Yes No

Public Hearing: **Action Item:** **Attachments:**

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

Public Notification: (E-Mail) Meetings and Agendas - City Council (04/07/2021), Notify Me - General Plan Update (04/07/2021)

Department Approval: Sol Blumenfeld, Community Development Director (03/30/2021)

RECOMMENDATION

Staff recommends the City Council adopt a resolution establishing Guiding Principles for Culver City's 2021-2029 Housing Element update (Attachment 1).

BACKGROUND

On March 22, 2021, the City Council considered a proposed resolution establishing Guiding Principles (Principles) to inform the adoption and implementation of Culver City's 2021-2029 Housing Element update. Mayor Fisch and Christopher S. Elmendorf, Professor of Law, UC Davis School of Law, drafted the Principles, which intend to aim higher than the state requirements and guidelines for the Housing Element update.

Advance Planning staff and the GPU consultants reviewed the Principles and outlined concerns in the March 22 staff report on the feasibility of certain Principles related to meeting the Department of Housing and Community Development (HCD) Housing Element adoption deadline, as well as increased scope and costs beyond the existing GPU agreement. The HCD deadline is October 15, 2021, with a 120-day grace period ending February 12, 2021. About 30 members of the public commented on the item, the majority of which spoke in support of the Principles. City Council

directed staff return with a revised resolution to:

- Follow the Principles that state law requires to make the state-mandated deadline for City Council adoption of the updated Housing Element during (Phase 1);
- To the extent feasible, follow Principles that go beyond state requirements in Phase 1, so long as doing so does not risk missing the adoption deadline; and
- Principles that go beyond state law requirements will be explored further after adoption as part of the overall GPU update process (Phase 2), and, as needed, the Housing Element will be updated and amended when the GPU is adopted.

DISCUSSION

Staff revised the proposed resolution including some minor, non-substantive revisions and language to reflect the two-phased approach and Council direction. While revising the resolution and double-checking the HCD Site Inventory Guidebook (Guidebook), Principles 1 and 2 were found to have language in conflict with state law and the Guidebook. The proposed Resolution in Attachment 1, as summarized below, has been modified to address City Council direction, conflicts with state law, and clarifications as follows:

Minor, Non-Substantive Revisions

- Whenever possible, the language was simplified in response to feedback that some concepts were difficult to understand.
- When referring to the October 15, 2021 HCD adoption deadline, the Assembly Bill 725 (January 1, 2022) and HCD 120-day grace period (February 12, 2022) deadlines were added for further context.
- A correction was made on the penalties triggered upon failure to adopt a revised, compliant housing element. The City would only lose the authority to deny projects containing at least 20% low-income units for sites that require rezoning to comply with the adopted housing element between the time of adoption until the zoning map is amended. This item is not tied to the deadline as a penalty.
- A new section was added stating that should any Principles be found to contradict any state law, the state law shall apply.
- Principles 3, 4, 6, and 7 have minor grammatical revisions for consistency but otherwise remain as written from the proposed resolution.

Revisions Reflecting City Council Direction

- Section 1 was revised to outline the two-phased approach based on City Council direction.
- Principle 8 provides guidance on which governmental constraints the constraints analysis should include. The revision clarifies that the analysis will be informed by a high-level analysis conducted by the GPU Team and analysis from the Westside Council of Government's Regional Early Action Planning (WSCCOG REAP) project, including analyzing the constraints identified.
- Principle 9 provides guidance on the constraints analysis being grounded in quantitative data and that data from agencies who have rapidly expanded housing production be analyzed to the extent feasible. The revision retains analysis grounded in quantitative data and shows the

data on the WSCCOG REAP project providing data from other agencies.

- Principle 10 provides guidance on public participation. The revision removes requiring a reweighted survey, based on City Council direction. Guidance on including a survey gathering demographic information is retained, as this is a part of the existing approach.
- A new section was added stating that before the 60-day HCD review period, the GPU Team will give the Planning Commission a summary of which Principles were followed in Phase 1 and which will need to be completed in Phase 2.

Revisions Required to Comply with State Law

The following revisions maintain the methods proposed in the Principles, with clarifications made in consultation with Mayor Fisch and Christopher Elmendorf.

- Principle 1 provides guidance on calculating a site's realistic capacity. It says the likelihood of development must be considered and that realistic capacity is determined by multiplying the likelihood of development by the new units if developed or redeveloped, to the extent feasible. The revision removes "to the extent feasible" as applying this factor is required by state law and clarifies that the calculation includes all four factors required to calculate realistic capacity per California Government Code Section 65583.2(c)(2). See Attachment 2 for a chart showing the factors.
- Principle 2 provides guidance on calculating the likelihood of development. To determine likelihood, the Principle would first apply the proportion of the City's aggregate RHNA target for the fifth cycle the City is currently projected to meet. Other factors will also be applied as suggested in the Guidebook, one of them being to estimate trends based on similar parcels' development rates, adjusting to reflect market/regulatory changes. The Principle maintains that if there is no data for similar parcels' development rates, the fifth cycle's overall site inventory development rate would be assumed. The revision clarifies that this and other factors as outlined in the Guidebook can be applied to calculate the likelihood of development.
- Principle 5 provides guidance on calculating the site inventory capacity buffer. The revision assumes a buffer of at least 30% be applied for the lower-income and moderate-income RHNA allocations, which the Guidebook recommends. Principle 7's mid-cycle adjustment would be an opportunity to reassess if this buffer was adequate.

FISCAL ANALYSIS

Adopting the revised resolution would not impact the General Fund but would impact the GPU Contingency Budget. Implementing certain Principles adds new work beyond the existing GPU agreement. As of April 2021, \$148,895.25 (88%) remains in the Contingency Budget. The added work is iterative by nature, some of which has not been conducted by the GPU consultants before, so producing an estimated cost in advance is not possible. Council requested the GPU Team give an update on the GPU project at an upcoming regular meeting. Staff can update Council on initial efforts to implement the Principles should more information be available at that time.

ATTACHMENTS

1. 2021-04-12_ATT_Proposed Resolution Establishing Housing Element Guiding Principles
2. 2021-04-12_ATT_Realistic Capacity Chart

MOTION

That the City Council:

Adopt a Resolution Establishing Guiding Principles for Culver City's 2021-2029 Housing Element Update.