



City of Culver City

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Staff Report

File #: 22-283, **Version:** 1

Item #: A-4.

CC - 1) Receipt of an Informational Report Regarding the Draft Housing Element Update; 2) Receipt of Related Planning Commission Recommendations and Direction to Staff; and 3) Direction to the City Manager as Deemed Appropriate.

Meeting Date: September 27, 2021

Contact Person/Dept: Ashley Hefner Hoang/CDD

Phone Number: (310) 253-5744

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 (09/22/2021); Stay Informed - General Plan Update (09/22/2021)

Department Approval: Sol Blumenfeld, Community Development Director (09/16/2021)

RECOMMENDATION

Staff recommends the City Council (1) receive an informational report regarding the Draft Housing Element Update; (2) receive related Planning Commission recommendations and direction to staff; and (3) provide direction to the City Manager as deemed appropriate.

BACKGROUND

Housing Element

The Housing Element of the City's General Plan is the primary planning guide to meet the housing needs of everyone in Culver City. It outlines goals, policies, and programs to meet these needs while balancing other community objectives and resources. Housing Elements are intended to support various housing types for all income groups, help develop lower and moderate-income housing, remove constraints to housing, conserve and improve existing housing, and promote fair housing opportunities.

Every eight years, the State of California requires local agencies (e.g., cities and counties) to update their Housing Elements following the California Department of Housing and Community Development (HCD) Regional Housing Needs Assessment (RHNA). To create a Housing Element that meets community needs, agencies must know how much housing and at what income levels it needs to plan. The RHNA, which is mandated by California housing law, quantifies the need for housing across all income levels in every community. Every community must plan for RHNA in its Housing Element to ensure there are enough sites and adequate zoning to accommodate the RHNA.

The sixth Housing Element Update (HEU) cycle (2021-2029) represents a new paradigm in housing production planning across California and includes more substantial penalties for non-compliance. It also allocates more housing units to communities, especially in urban areas, to address California's housing crisis. During the last HEU cycle, the overall lack of housing production resulted in communities falling short of meeting their RHNA goals across the state. Factors that added to the housing crisis in past cycles include insufficient administrative and financial resources to support affordable housing production and a lack of penalties to compel local agencies to meet allocations.

The sixth cycle increases allocations and adds stricter penalties for cities' non-compliance. Specific to Culver City, the increased allocation in the sixth cycle totals 3,341 units compared to the fifth cycle allocation of 185 units. New penalties include HCD's mandate that if a Housing Element is adopted after the 120-day grace period ending February 12, 2022, it must be updated in four years instead of eight.

Assembly Bill 725 (AB 725) added a new penalty, mandating that any Housing Element adopted on or after January 1, 2022, must allocate 25% of its RHNA share for moderate- and above moderate-income housing to sites zoned to support at least four on-site multi-family housing units. However, in June 2021 the bill was amended to state that, *"The changes to this section shall not apply to a housing element revision that is originally due on or before January 1, 2022, regardless of the date of adoption by the local agency."* So, the bill would not apply to Culver City's sixth cycle Housing Element.

Housing is also considered in other General Plan elements, such as land use, mobility, and environmental justice. For example, a new requirement enacted in the sixth cycle is Senate Bill 1000 (SB 1000). SB 1000 requires policies to ensure healthy and safe housing, such as addressing the presence of lead-based building materials, which has shown to be a factor in Culver City's SB 1000 priority neighborhoods (portions of Clarkdale and Culver/West). This will be addressed in the General Plan's Environmental Justice Element and be consistent with the HEU. SB 1000 and related topics will be covered at a workshop later this fall.

For further information on Housing Element basics, refer to the May 12, 2021, Planning Commission meeting presentation and video at [pictureculvercity.com/housing-element](http://www.pictureculvercity.com/housing-element) <<http://www.pictureculvercity.com/housing-element>>.

DISCUSSION

Engagement

On June 14, 2021, a GPU Deliverables and Engagement Summary detailing milestones to date, including housing-related items, was presented to City Council. While nearly every General Plan Update (GPU) engagement event and activity have touched on housing to a degree, the below summarizes the most recent and closely related to housing.

The General Plan Advisory Committee (GPAC) and Housing Technical Advisory Committee (HTAC) have received presentations on and discussed Culver City's existing conditions, issues, opportunities, and alternatives related to housing and reviewed the first Draft HEU (Attachment 1). The Advisory Committee on Housing and Homelessness (ACOH) received a presentation on and discussed the Draft HEU. The Planning Commission (PC) and City Council (CC) held several meetings on land use and housing that informed the Draft HEU, including City Council's meetings on the Housing Element Guiding Principles and PC's review and discussion of the Draft HEU.

- August 13, 2020: GPAC - Housing, land use, and community design
- September 10, 2020: GPAC - Land use and community design
- October 8, 2020: GPAC - Land use and community design
- December 8, 2020: HTAC - Identify housing issues and opportunities
- January 27, 2021: Community workshop on land use scenarios
- January 27, 2021: CC/PC - Land use scenarios
- March 11, 2021: HTAC - Innovative housing programs, initiatives, tools
- March 22, 2021: CC - Discussion of Housing Element Guiding Principles and direction to staff
- April 8, 2021: GPAC - Proposed land use alternatives
- April 12, 2021: CC - Adoption of Housing Element Guiding Principles
- April 20, 2021: HTAC - Land use strategies and alternatives
- April 29 and May 5, 2021: Community workshops on land use alternatives
- April 29 to June 13, 2021: Online land use alternatives survey
- May 12, 2021: PC - HEU kickoff
- June 10, 2021: GPAC - Proposed land use alternatives
- June 23, 2021: CC/PC - Discussion on exclusionary zoning practices and direction to staff on affordable housing studies
- June 23 and 28: CC/PC - Direction on preferred land use map to inform the HEU sites inventory analysis
- July 22, 2021: GPAC - Draft HEU review
- July 28, 2021: HTAC - Draft HEU review
- July 28, 2021: PC - Draft HUE review
- August 16, 2021: ACOH - Draft HUE review
- July 19 to October 1, 2021: Online Draft HEU public comment period

A detailed summary of HEU-related engagement, revised per public comment, is in Appendix D of the second Draft HEU (Attachments 2 and 3)¹. Attachment 4 includes the Public Participation Appendix Attachments separately due to file size. This attachment was compiled in response to comment that engagement materials should be recorded in more detail. Engagement information can also be found at [pictureculvercity.com/housing-element](http://www.pictureculvercity.com/housing-element) <<http://www.pictureculvercity.com/housing-element>>.

Input Received to Date

During July and August 2021, the City received input from the GPAC, HTAC, ACOHH, and PC (Attachment 6) and the public through 147 pages of correspondence (Attachment 7) and 215 comments (Attachment 8) on the interactive online first Draft HEU posted on July 19, 2021. The type of input received related to the HEU includes sites inventory and related methodology, housing plan (policies and programs), fair housing assessment, and other revisions that do not materially affect the document.

Many comments were submitted on the changes to single-family residential land use being studied with the preferred² land use alternative, which informed the sites inventory. Several related questions were synthesized and added to the project's Frequently Asked Questions webpage at [pictureculvercity.com/faq](http://www.pictureculvercity.com/faq) <<http://www.pictureculvercity.com/faq>>. Comments received on specific sections of the Draft HEU were primarily on how it could be improved, other sites to consider for the inventory, and where the HEU does not comply with City Council's Guiding Principles (Attachment 9) and some with suggestions on how to do so.

The City Council's Guiding Principles inform the adoption and implementation of the HEU, to aim higher than the State requirements and guidelines. Attachment 10 summarizes how the revisions respond to concerns that some of the Guiding Principles were not fully addressed.

Draft Revisions and HCD Submittal

The GPU team³ considered all the diverse perspectives reflected in the community's input, including from the advisory bodies, and revised technical aspects wherever feasible before submitting this second draft to HCD. The GPU consultants advised that in their experience working on GPUs, the process of getting community and advisory body input on Draft HEUs before HCD review is a standard practice, with City Council responsible for final adoption. On Friday, September 10, the City submitted the second draft of the 2021-2029 Housing Element to HCD. HCD has 60 days to review and comment on Culver City's Draft 2021-2029 Housing Element. Please refer to Next Steps below for the remaining steps in the process.

Community Input on HCD Version

The community is encouraged to review and provide input on this second draft 2021-2029 Housing Element by October 1, and was notified on September 13, 2021 by email notification (Attachment 5), social media, the City's website, the project website, and through the volunteer communications network. The first public review draft posted online July 19 (Attachment 1) does not reflect these changes but remains on the project website with comments received (Attachment 8) for reference.

The public can submit comments directly to HCD. Below are the instructions from HCD's website:

"As part of its review of the housing element, HCD must consider any written comments received from any public agency, group, or person. If an organization or individual plans to provide comments to HCD on a jurisdiction's housing element, early contact with the assigned review staff member is encouraged to ensure that HCD is aware of this intent. To ensure that HCD has sufficient time to consider comments in the review of the housing element, written comments should be provided

within the first 30 days of the review. Written comments can be provided directly to the assigned HCD Analyst or emailed to HousingElements@hcd.ca.gov."

HCD has assigned Analyst Shawn Danino to review the draft and comments can be submitted directly to HCD at Shawn.Danino@HCD.CA.gov <<mailto:Shawn.Danino@HCD.CA.gov>>.

The City will create another draft considering new revisions from both the public and HCD in October or November. This will be the final draft prepared for the Planning Commission's recommendation in November and City Council's discussion and consideration for adoption/decision in December 2021 or January 2022.

Based on the Westside Cities Council of Governments' Regional Early Action Planning (REAP) Grant project results, the GPU team anticipates amending the HEU after adoption during the remaining GPU process. The REAP project seeks to develop a comprehensive subregional approach to accelerate housing production to accommodate critically needed affordable housing within the Westside subregion. Refer to Item C-4 on the August 9, 2021, City Council agenda for the full REAP scope.

Planning Commission Recommendations

In addition to the Planning Commission input documented in Attachment 6, the Planning Commission made specific recommendations to the City Council at their July 28 meeting when they reviewed the Draft Housing Element:

Draft HEU Table 32, Draft Preferred Land Use Map Designations - 2045 General Plan should be revised to remove references to zoning development standards like floor area ratio (FAR) and number of stories and reconsider the existing R1 single-family residential 0.45 FAR in Culver City Zoning Code Section 17.210.020, Table 2-3, Residential Districts Development Standards (R1, R2, R3).

The Commission discussed that applying floor area ratio and a maximum number of stories may have unintended consequences, even related to the existing R1 zoning FAR. Since land use is not defined in the Draft HEU, the GPU team removed these details. This topic will require further discussion as part of the Land Use Element. The State says that an adequate General Plan must contain standards for building intensity, dependent on local context, and a combination of variables. It is a common best practice to use FAR as a variable to define residential, mixed use, and non-residential densities, but the City could consider other variables like height and building and lot coverage that the City has historically used.

Regarding the existing R1 FAR, the GPU team assumed for the Preferred Land Use Map that the 0.45 FAR would remain. The GPU team will be studying land use factors in further detail, and a slate of added public engagement around land use and design will be presented to Council for consideration to allow the community to discuss these and other land use topics. With the Preferred Land Use Map, most sites in the City would have to be rezoned, and some development standards would require modification. As a reminder, the GPU is scheduled for adoption in Fall 2022, and related zoning amendments will not occur until after adoption.

The City Council may consider directing staff to study a change related to the existing 0.45 R1 FAR,

as well as which changes to study. This study would likely require support from a consultant, and the GPU contract does not include this scope of work.

Draft HEU sites inventory analysis methodology should analyze the likelihood of development to comply with the City Council's Guiding Principles.

The Commission discussed that the Draft HEU should be revised to explicitly analyze the likelihood of development during the planning period as shown in City Council's Guiding Principles. The consultants conducted further analysis, and the Draft HEU was revised to study development trends from the previous planning period. Please refer to Attachment 10 for further detail.

Preferred Land Use Map should not study an Incremental Infill land use designation in the Culver Crest Residential Hillside Overlay Zone (-RH) (Attachment 11), where accessory dwelling units (ADUs) are prohibited due to findings related to fire hazard, slope, and emergency access.

Incremental Infill has been reflected as an option in the Culver Crest -RH Zone since the community land use alternative workshops held in April and May 2021. The Infill designation was included at that time based on discussions at GPAC meetings which questioned the existing ADU prohibitions, and concerns were expressed that the prohibition may not be equitable, and that Incremental Infill should be studied in all low-density single-family residential areas citywide. The GPU team included Incremental Infill in the Culver Crest -RH Zone with the understanding that the environmental review process for the General Plan Update would analyze these issues and identify if significant and unavoidable impacts would occur should a land use map be adopted in the future that included Incremental Infill in the Culver Crest -RH Zone.

Two of the three options for a preferred land use map presented to the Planning Commission and City Council at their June 23 and 28, 2021, joint meetings included the Infill designation in the Culver Crest -RH Zone. At those meetings, there were varying opinions on both bodies as to which map to study. However, at the June 28 meeting, the City Council voted 3-2 to direct staff to study a Preferred Land Use Map that reflects Incremental Infill in the Culver Crest -RH Zone. Also, at the August 9, 2021, City Council meeting staff informed City Council of related discussions with HCD regarding an inquiry regarding the current prohibition of ADUs based on the City's findings related to fire and slope hazards and emergency access. These discussions are ongoing.

City Council may consider directing staff whether to remove Incremental Infill from the Culver Crest -RH Zone area on the Preferred Land Use Map, retain the existing "Low Density Single Family" designation in that area and revise the HEU sites inventory to remove any sites from the area associated with the Incremental Infill designation. The GPU team anticipates this would not have a significant impact on the sites inventory. Should Council provide this direction, the Draft HEU would be revised to reflect the change before the Planning Commission's review of the final draft at their November 30, 2021, special meeting and staff would notify the HCD analyst reviewing the Draft HEU of the change.

ENVIRONMENTAL ANALYSIS

The GPU team will conduct an environmental review per the California Environmental Quality Act (CEQA) and circulate an Initial Study and Negative or Mitigated Negative Declaration (IS/(M)ND).

Senate Bill (SB) 18 and Assembly Bill (AB) 52 Tribal Consultation are required and started on September 9, 2021. In the Consultation notifications, staff requested that the SB18 consultation period be 30 instead of 90 days to match the AB 52 timeline, especially in light of the full GPU environmental impact report (EIR) being anticipated this fall and to meet the Housing Element deadline.

The GPU team anticipates that the required 30-day circulation for public comment on the Initial Study will occur during October 2021. Staff will notify the public upon IS/(M)ND circulation. The environmental documentation and related comments will be attached for the Planning Commission and City Council hearings. The HEU environmental documentation will inform the GPU environmental impact report (EIR) anticipated for Fall 2022 and will be updated as part of the EIR should the HEU be amended after adoption.

NEXT STEPS

- September-October: Tribal consultation
- September-November: 60-day HCD review
- October 1: Online Draft HEU public comment period ends
- October: 30-day CEQA circulation
- November 30: Planning Commission Final HEU adoption recommendation to City Council and CEQA determination recommendation to City Council⁴
- December/January: City Council Final HEU adoption and CEQA determination⁴

FISCAL ANALYSIS

There is no fiscal impact associated with this item.

ATTACHMENTS

1. 2021-09-27_ATT_1st Draft HEU
2. 2021-09-27_ATT_2nd Draft HEU (Redline)
3. 2021-09-27_ATT_2nd Draft HEU (Clean)
4. 2021-09-27_ATT_2nd Draft HEU Public Participation Appendix Attachments
5. 2021-09-27_ATT_2nd Draft HEU Public Notification Email
6. 2021-09-27_ATT_Commission/Committees Input Summary
7. 2021-09-27_ATT_Public Correspondence to Date
8. 2021-09-27_ATT_Online Public Comments to Date
9. 2021-09-27_ATT_Housing Element Guiding Principles
10. 2021-09-27_ATT_Housing Element Guiding Principles Compliance Summary
11. 2021-09-27_ATT_Culver Crest -RH Zone ADU Prohibition Map

NOTES

1. Attachment 2 shows a redline with changes to the draft made before HCD submittal in response to the community input. This is the same content as the "clean" version shown in Attachment 3 but shows where changes were made.
2. The term "preferred" refers to an environmentally preferred alternative under the California Environmental Quality Act, not a reference to the community's preference.
3. Veronica Tam and Associates, the City's housing consultant; Raimi + Associates, the City's lead consultant; and City staff.
4. The adoption public meeting dates have been updated to reflect modified project timelines. Past dates shared with the public previously reflected a November 10 PC meeting and December 13 CC meeting.

MOTION

That the City Council:

1. Receive an informational report regarding the Draft Housing Element Update;
2. Receive related Planning Commission recommendations and provide direction to staff; and
3. Provide direction to the City Manager, as deemed appropriate.