



City of Culver City

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Staff Report

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PC- Review and Discussion of Proposed Zoning Code Revisions to Streamline the Residential Mixed Use Entitlement Process.

Meeting Date: November 10, 2021

Contact Person/Dept: William Kavadas/Assistant Planner
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Fiscal Impact: Yes ☐ No ☒ **General Fund:** Yes ☐ No ☒

Public Hearing: ☐ **Action Item:** ☒ **Attachments:** ☒

Public Notification: (E-Mail) Meetings and Agendas - Planning Commission (11/04/21).

Department Approval: Sol Blumenfeld, Community Development Director (11/01/2021)

RECOMMENDATION:

Staff requests the Planning Commission receive and discuss proposed revisions to the Zoning Code regarding mixed use residential entitlement process streamlining and direct staff to return with a final draft Zoning Code Text Amendment for Planning Commission consideration at a future meeting.

BACKGROUND/DISCUSSION

On August 11, 2021, the Planning Commission considered methods to streamline the mixed-use entitlement process to foster additional housing production and promote housing affordability and it was clarified that the focus of the text amendment was upon mixed use development at this time as the General Plan Update process was underway and many development issues including density in the residential zones was still being determined. It was also noted that the issue of mixed-use development density has recently been addressed in a Mixed Use Ordinance Text Amendment but that streamlining mixed use development projects remained an open issue. The Planning Commission discussion focused upon:

- Consistency with CEQA Exemptions

- Feasibility of streamlining incentives for mixed use affordable housing projects
- Production of robust design guidelines for mixed use ministerial projects

The following addresses some of the Commission discussion including relevant State law provisions and design guideline considerations that may help address the City's goals.

Streamlining of Affordable Housing

During the August 11, 2021 Planning Commission meeting, a concern was raised about the feasibility of affordable housing streamlining incentives. The Planning Commission expressed the concern that if the level of housing affordability required was too high, the proposed streamlining incentives may not be utilized to the extent intended. Staff consulted the City's financial consultant Keyser Marston Associates, Inc. (KMA), who advised that the City could consider existing benchmarks for affordability thresholds such as State legislation AB1397. AB1397 requires that any project where 20% of the units are affordable to lower income households shall be reviewed ministerially when a proposed project site has been rezoned to meet HCD standards¹.

Culver City could apply this 20% threshold to all mixed-use projects to facilitate affordable housing production since many projects already provide this level of affordability as part of the Community Benefit and State Density Bonus law density incentive provisions but are still subject to discretionary review. The minimum percentage of affordable units to receive a Municipal Code Community Benefit is 15%. State density bonus typically starts between 10% and 20%. Since projects seeking a local density bonus under community benefits are already close to the 20% threshold, it can be safely assumed that most mixed-use affordable housing projects will meet the 20% threshold as they typically also pursue a state density bonus incentive. The 20% exemption could be applied to projects of any size or alternatively a project size threshold could be established. For example, the Planning Commission could consider allowing ministerial review for projects with 250 or fewer units to address benefiting large projects. Recently approved mixed-use project at 11111 Jefferson had 230 units.

If the City decided to allow certain larger projects by right, that are not already exempt by the California Environmental Quality Act (CEQA), it would be necessary to conduct environmental review during the zone text amendment phase to ensure proper environmental clearance under the CEQA.

The following table summarizes potential outcomes of establishing ministerial review for larger projects of 250 units or fewer units.

Table 1: Ministerial Review Effects

	Summary	Impact	Outcome
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	20% affordable housing projects exempt for projects less than 250 Units.	Most MU Projects Would Be Ministerial	<ul style="list-style-type: none"> • Requires expanding Ministerial Approval to all mixed-use development instead of just those sites which are part of the Housing Element inventory • Requires some form of Design Checklist for all Mixed-Use Projects • More robust public input required in production of design guidelines. • Reduced cost due to reduced entitlement timeframes and permit fees
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Senate Bill 10

The Governor recently signed into law Senate Bill 10 (SB10). This bill would allow a City to zone a parcel for up to 10 units of residential density per parcel and still be exempt from CEQA. The City would need to identify an area to zone as opposed to singular parcels to avoid spot zoning. The area zoned also needs to be transit-rich or an urban in-fill site.

The City could use SB10 to help promote additional housing growth for mixed use developments, but it would include adoption of an ordinance to rezone an area of the City for such density.

The following table describes how CEQA effects streamlining for larger residential developments.

Table 2: CEQA Exempt Projects

Project Size	6 Units Mixed Use	10 Units Mixed Use	250 Units Mixed Use
CEQA Requirement	Exempt	Exempt with Ordinance	Non-Exempt
CEQA Exemption	CEQA Section 15303	SB10	Requires Adoption of a Resolution to exempt projects of 250 Units
Required Text Amendments ²	Amendment of Mixed-Use Ordinance to eliminate SPR requirements		

Design Guidelines

As part of the August 11, 2021 discussion item, the Planning Commissioners were interested in ministerial approval of larger multi-family projects but only with robust design guidelines. Staff prepared a very preliminary list of design guidelines for consideration below. Staying consistent with the scope of AB1397, guidelines should be as objective as possible to facilitate ease of application. A preliminary list of potential areas for design guidelines are suggested below and relate to improvements at grade, varied material use on exterior walls, development programs that facilitate vibrant communities, and roof lines that maintain architectural design.

Improvements at Grade

- Transparent window treatment contributing to streetscape
- Pedestrian related improvements including landscaping, paving, and street furniture
- Pedestrian scale lighting
- Trellis and other shading devices
- Area for outdoor dining
- Step backs at grade
- Building articulation at grade
- Varied use of materials at grade
- Varied landscape areas and planting materials

Exterior Walls

- Windowed facades
- Varied use of window treatments and grazing systems
- Varied use of exterior finish
- Demonstrate building style (characteristic building style)
- Consistent with neighborhood architectural style
- Does form follow function?
- Balconies with useable depth
- Articulation, varied material
- Landscape treatment above grade
- Parking screening
- No unusually long blank walls
- Upper floor setbacks and stepbacks

Building Program

- Mix of unit types and bedroom counts
- Community amenities/common areas
- Bike Parking in excess of code standard
- Transportation demand management measures in excess of code standard

Roof Line

- Varied roofline

FISCAL ANALYSIS:

If proposed text amendments are processed and ultimately approved, certain projects may no longer require Administrative or Planning Commission Review resulting in reduced entitlement fee intake, which may be offset through additional opportunities for new property taxes and in-lieu parkland fees with new development.

ATTACHMENTS:

1. 2021-11-10 Planning Commission Staff Report dated August 11, 2021
2. 2021-11-10 Planning Commission Minutes dated August 11, 2021

MOTION:

That the Planning Commission:

Receive and discuss proposed revisions to the Zoning Code regarding residential entitlement process streamlining and direct staff to return with a final draft Zoning Code Text Amendment for Planning Commission's approval at a future meeting.

Notes:

1. Excerpt of Government Code Section 65583.2(c): Based on the information provided in subdivision (b), a city or county shall determine whether each site in the inventory can accommodate the development of some portion of its share of the regional housing need by income level during the planning period, as determined pursuant to Section 65584. The inventory shall specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower-income housing, moderate-income housing, or above moderate-income housing. A nonvacant site identified pursuant to paragraph (3) or (4) of subdivision (a) in a prior housing element and a vacant site that has been included in two or more consecutive planning periods that was not approved to develop a portion of the locality's housing need shall not be deemed adequate to accommodate a portion of the housing need for lower income households that must be accommodated in the current housing element planning period unless the site is zoned at residential densities consistent with paragraph (3) of this subdivision and the site is subject to a program in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households.
2. Related Text Amendments

Staff has included recommendations from the previous Planning Commission Discussion Item in bullet form below to create a running list of proposed code amendments.

- Section 17.540.010.A, Subject to Review and B, Exempt from Review: Modify Site Plan Review applicability to reflect preferred process for entitlement review.
- Section 17.540.015.C, Designated Review Authority: Modify review thresholds to reflect preferred processes for entitlement review.
- Section 15.10.085, Exceptions and 15.10.700, Access and Easements: Modify to give the Public Works Director the ability to approve lot access alternatives to facilitate easements for townhome subdivisions where ownership includes not only the area within the walls of the home but also the plot of land immediately surrounding the dwelling. Planning Commission could also direct staff to allow smaller condominium subdivisions to be allowed by-right while requiring townhome subdivisions to be processed through Administrative Site Plan Review to provide an additional layer of review for the more unique townhome subdivision development.

- Section 17.500.010 Table 5-1, Review Authority: Ancillary update to reflect preferred processes for entitlement review.
- Section 17.610.035.B, Further Division or Reduction of Parcel - Prohibited: Clarify if non-conforming parcels can be further subdivided for airspace or townhome subdivisions.