



**CITY OF SOUTH PASADENA
PLANNING COMMISSION
SPECIAL MEETING AGENDA**

Tuesday, July 21, 2020 at 3:00 p.m.

South Pasadena Planning Commission Statement of Civility

As your appointed governing board we will treat each other, members of the public, and city employees with patience, civility and courtesy as a model of the same behavior we wish to reflect in South Pasadena for the conduct of all city business and community participation. The decisions made tonight will be for the benefit of the South Pasadena community and not for personal gain.

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the Special meeting of the Planning Commission for July 21, 2020 will be conducted remotely and held by video conference. The Meeting will be broadcast live on the City's website (https://www.spectrumstream.com/streaming/south_pasadena_pc/live.cfm) and local cable channels.

Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chambers will not be open for the meeting. Commission members will be participating remotely and will not be physically present in the Council Chambers.

The Planning Commission welcomes your input. Members of the public may provide comments to the Planning Commission by emailing: PlanningComments@southpasadenaca.gov or by calling (626) 403-7720 and leaving a **3-minute** voicemail message to be played during the meeting. Public comments must be received by **9:00 a.m. on Tuesday, July 21, 2020** to ensure adequate time to compile and post. Please make sure to indicate: 1) your name; and 2) what agenda item you are submitting public comment on, or if it is a general public comment. All comments/questions received will be distributed to the Commission for consideration and will also be posted on the City's website prior to the meeting.

CALL TO ORDER:

Chair Janet Braun

ROLL CALL:

Laura Dahl, Commissioner, Richard Tom, Commissioner, Lisa Padilla, Secretary, John Lesak, Vice-Chair and Janet Braun, Chair

COUNCIL LIAISON:

Diana Mahmud, Mayor Pro Tem, Council Liaison

STAFF PRESENT:

Teresa L. Highsmith, City Attorney
Joanna Hankamer, Planning & Community Dev. Director
Margret Lin, Long Range Planning & Economic Dev. Mgr.

APPROVAL OF AGENDA

Majority vote of the Commission to proceed with Commission business.

DISCLOSURE OF SITE VISITS AND EX-PARTE CONTACTS

Disclosure by Commissioners of site visits and ex-parte contact for items on the agenda.

PUBLIC COMMENTS AND SUGGESTIONS

Members of the public may provide general public comments the Planning Commission by emailing: PlanningComments@southpasadenaca.gov or by calling (626) 403-7720 and leaving a **3-minute** voicemail message to be played during the meeting. Public comments must be received by **9:00 a.m. on Tuesday, July 21, 2020** to ensure adequate time to compile and post. Please make sure to indicate: 1) your name; and 2) what agenda item you are submitting public comment on, or if it is a general public comment.

Pursuant to state law, the Design Review Board may not discuss or take action on issues not on the meeting agenda, except that members of the Design Review Board or staff may briefly respond to statements made or questions posed by persons exercising public testimony rights (Government Code Section 54954.2). Staff may be asked to follow up on such items.

DISCUSSION

1. 2021 Housing Element Update – Preliminary Sites Analysis

Recommendation

It is recommended that the Commission:

1. Review and provide direction regarding the 2021 Housing Element Update - Preliminary Sites Analysis;
2. Provide recommendations to the City Council regarding considerations to place a ballot measure on the November 2020 Special Municipal Election to increase the building height limits in specific locations to keep options open while Housing Element policy development progresses; and
3. Review and provide direction regarding a potential Inclusionary Housing Ordinance and Update to the Accessory Dwelling Unit Ordinance

ADMINISTRATION

2. Comments from City Council Liaison

3. Comments from Planning Commissioners**4. Comments from Staff****ADJOURNMENT****5. Adjourn to the regular Planning Commission meeting scheduled for August 11, 2020.****PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS**

Planning Commission meeting agenda packets are available online at the City website: <https://www.southpasadenaca.gov/government/boards-commissions/planning-commission/test-planning-commission-agendas-minutes-copy>

Agenda related documents provided to the Planning Commission are available for public review on the City's website. Additional documents, when presented to Planning Commission, will also be uploaded and available on the City's website.

The meeting will be broadcast live on the local cable channels (Spectrum Channel 19 and AT&T Channel 99) and on the City's website, and a recording of the meeting will be available within 48 hours of adjournment at the following links:

- Live Stream: https://www.spectrumstream.com/streaming/south_pasadena_pc/live.cfm
- Recorded meeting: https://www.spectrumstream.com/streaming/south_pasadena_pc/

AGENDA NOTIFICATION SUBSCRIPTION


Individuals can be placed on an email notification list to receive forthcoming agendas by emailing CityClerk@southpasadenaca.gov or calling the City Clerk's Division at (626) 403-7230.

ACCOMMODATIONS

The City of South Pasadena wishes to make all of its public meetings accessible to the public. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's website as required by law.

Date


Elaine Serrano,
Administrative Secretary



Planning Commission Agenda Report

ITEM NO. _____

DATE: July 21, 2020

FROM: Joanna Hankamer, Director of Planning and Community Development
Margaret Lin, Manager of Long Range Planning and Economic Development

SUBJECT: **2021 Housing Element Update - Preliminary Sites Analysis**

Recommendation

It is recommended that the Commission:

1. Review and provide direction regarding the 2021 Housing Element Update - Preliminary Sites Analysis;
2. Provide recommendations to the City Council regarding considerations to place a ballot measure on the November 2020 Special Municipal Election to increase the building height limits in specific locations to keep options open while Housing Element policy development progresses; and
3. Review and provide direction regarding a potential Inclusionary Housing Ordinance and Update to the Accessory Dwelling Unit Ordinance.

Executive Summary

In accordance with State law, the City is required to update its housing element every eight years with its new Regional Housing Needs Assessment (RHNA) allocation. The City received a new allocation of 2,062 housing units and must submit an updated housing element by October 15, 2021. The new allocation is significantly higher than previous years (over 3,000 percent increase from the previous RHNA allocation) and is the result of recent changes in State legislation and Governor Newsom's goal to build 3.5 million housing units by 2025.

South Pasadena RHNA Allocations		
Income Level	5th Cycle (2013-2021)	6th Cycle (2021-2029)
Lower (includes Low, Very Low, and Extremely Low)	27	1,151
Moderate	11	333
Above Moderate	25	578
Total	63	2,062

The City has joined numerous cities who have opposed the RHNA allocations. The appeal period has been extended by 6 months, with a final determination anticipated in February 2021; however, indications from both the State, including the steady increase in affordable housing

legislation, and the Southern California Council of Governments (SCAG) strongly suggest that the allocations will not be reduced. Therefore, while Staff will continue to appeal the RHNA allocation, Staff will also continue to work to comply with the state requirements.

City's RHNA Shortfall

Upon completion of the first phase of the required Housing Element Sites Analysis, the City's Housing Consultant, PlaceWorks, has calculated an existing capacity for the City to meet 1,136 of the required 2,062 RHNA units under existing or proposed zoning following the Draft General Plan Update and Downtown Specific Plan. The 926 unit shortfall is regarding units within the categories of Low, Very Low, and Extremely Low Income, the most difficult unit types to accommodate, even with an Inclusionary Housing policy and an aggressive ADU production policy, both of which are in development and assumed to be essential to meeting the City's affordable housing goals.

Failure to provide options to meet the RHNA obligation at this point in the development of the 2021 Housing Element could result in having to pursue undesirable alternatives such as rezoning Open Space or Single Family Neighborhoods, or failure to comply with state law. The latter of which could result in loss of eligibility for state grant money, a costly lawsuit, and a penalty of costly updates to the Housing Element every 4 years rather than every 8 years.

Staff recommends that the Planning Commission make a recommendation to City Council to pursue limited and specific height increases, as needed, to provide options for how the City could meet its RHNA obligation; and to right-size the development standards in the Draft Downtown Specific Plan. Staff recommends that the Planning Commission recommend to City Council a ballot measure to increase the following heights for mixed-use projects with housing as the predominant or only use:

- From 45 feet to 52 feet on the following three (3) sites:
 - Gold Line Storage site on Mission Street, adjacent to the Gold Line
 - Vons' site on Fair Oaks, between Oxley and Monterey
 - Tyco site on Pasadena Avenue
- From 45 feet to 60 feet on the following two (2) sites*:
 - Ralphs's site on Huntington, on the border of South Pasadena and Alhambra
 - Vacant site at 123 Pasadena Ave, in the Ostrich Farm adjacent to Multi-Family

*Note: Should the voters approve a height of 60 feet at these two sites, Staff and the City's housing consultant will continue to exhaust all other options before implementing 60 feet if such maximum height is not necessary to meet the RHNA obligation; or if the City's RHNA obligation is reduced through the appeals process.
- From 45 feet to 52 feet for 4-story buildings in the Fair Oaks Zone of the Downtown, to allow for best design practices for mixed-use buildings (as presented to Planning Commission on May 12, 2020 and described below), with an additional requirement of height variation to provide appropriate transitions to adjacent buildings. The proposed height increase would apply only to mixed-use projects with housing as the predominant or only use and would be required to include affordable housing units in its unit mix.

Time-Sensitivity of Considering Height Increases

Increasing the height limit is time sensitive and would require the City Council to place a measure on the November 3, 2020 Municipal Election in order to meet the Housing Element deadline of October 2021. If the ballot measure is passed by a majority of voters, and the City subsequently determines that the height limit is no longer needed, the City would have the option to maintain the existing 45 feet height limit through the Draft General Plan and Downtown Specific Plan upon adoption in mid-2021.

Unfortunately, August 5th is the last opportunity for the City Council to approve a November 2020 ballot measure regarding height (without having to conduct a costly special election) to help the City meet its RHNA obligations. While any new development standards (heights and densities) will not be determined until the Draft General Plan and Downtown Specific Plans are adopted by City Council (anticipated in 2021), heights over 45 feet would be precluded from consideration if a height limit increase is not approved by voters this November 3, 2020, or at a near future special election. Due to budget constraints, Staff recommends addressing strategic height limit increases on the November 3, 2020 ballot.

Discussion/Analysis

Required Housing Element Sites Analysis

PlaceWorks has prepared a preliminary Sites Analysis and concluded that the city's required Moderate (333) and Above Moderate (578) income RHNA units can be reasonably accommodated through aggressive ADU production and on vacant sites assuming current zoning and the proposed Draft General Plan and Downtown Specific Plan (*assuming a density of 50 du/ac in the Downtown). Anticipated ADU production can also accommodate 225 Lower Income RHNA units if proactive programs are implemented to facilitate affordability of ADUs. In summary, of the 2,062 RHNA unit obligation, 1,136 (333 Moderate, 578 Above Moderate, and 225 Lower Income) can be accommodated with ADUs and development on vacant sites per the Draft GP/DTSP* (*at 50 du/ac), leaving a shortfall of 926 lower income units (172 Low, 377 Very Low, and 377 Extremely Low) that must be planned for in the 2021 Housing Element.

Based on community input and an appreciation for the small town character and historic resources that make South Pasadena unique, PlaceWorks has focused the next phase of the Sites Analysis - to accommodate the 926 unit shortfall - on strategies that would preserve the existing community character and values; including:

- Focusing growth in the DTSP and Neighborhood Centers (Mixed Use zones within the Draft GP)
- Excluding as many historic sites as possible
- Limiting the need to change zoning
- Excluding sites that do not have support from the property owner or community
- Excluding sites that would have excessive environmental or access constraints

The following state requirements must be taken into consideration when addressing the remaining 926 lower income housing units in the final Sites Analysis:

- Sites must allow 30 dwelling units per acre (du/ac) or greater

- If more than half of the total lower income housing units are accommodated on non-vacant sites (which is the case for South Pasadena), additional information must be included and findings must be made that the site will redevelop as housing during the first few years of the housing element planning period, including support from property owners
- If sites are smaller than 0.5 acres, additional evidence and incentives must be provided to demonstrate that the sites are suitable for lower income housing

Addressing the 926 Unit Shortfall

The Draft Downtown Specific Plan specifies a density of 30 dwelling units per acre (du/ac) for both the Downtown and the Neighborhood Centers; however, the Planning Commission previously agreed when presented a feasibility study that a density of 30 du/ac is not right-sized for the 3- and 4- story maximums proposed on Mission and Fair Oaks, respectively. Based on several precedent projects of the same scale, including the recently approved Mission Bell Project (3 stories, 40' height, and 50 du/ac), a maximum density of 50 du/ac is more appropriate for the Downtown area. Based on the Planning Commission's concurrence on May 12, 2020 that 50 du/ac is an appropriate maximum density for the Downtown, the preliminary Housing Element Sites Analysis assumes 50 du/ac in the analysis of how much capacity there is in current zoning and proposed zoning from the Draft DTSP. Based on this capacity assumption, the City can meet 1,136 units of its 2,062 housing unit allocation, leaving a 926 unit shortfall.

Based on the above strategies for preservation of the City's character and values, Staff and PlaceWorks have identified these additional opportunities to address the 926 unit shortfall:

Redevelop Underutilized Lots in Downtown and Neighborhood Centers (~370 units)

There are 28 underutilized sites that are good candidates to meet HCD's requirements for redevelopment as affordable housing in the Downtown (at 50 du/ac) and Neighborhood Centers (at 30 du/ac). These 28 sites could yield an additional 740 housing units*; however, unless the City wants to plan for all new redevelopment in the Downtown and Neighborhood Centers to be 100% affordable housing, a maximum reasonable unit count to identify toward the 926 unit shortfall would be ~370 units, or half of the redevelopment capacity.

It is important to note that if the City were to plan for all applicable Downtown and Neighborhood Centers sites to redevelop as 100% Lower Income units, it would constrain the City's ability to approve a mix of income level units to be developed in the Downtown and Neighborhood Centers. The Sites Analysis must ensure there is sufficient capacity to adhere to the state's "No Net Loss" rule which prohibits cities from approving housing projects at a lower density or with fewer units by income category on sites listed in the Housing Element without identifying additional sites to accommodate the remaining housing units.

Alternatively, if the City does not adopt an Inclusionary Housing Policy to incentivize the production of affordable housing, the ~370 unit yield currently proposed to be counted toward the Lower Income RHNA obligations would need to be greatly reduced. More discussion about a potential Inclusionary Housing Ordinance is presented later in this report.

Rezone Non-Residential for Multi-Family buildings (~100 units)

To preserve the city's character and scale, only limited proposals to rezone non-residential properties should be considered. However, based on property owner interest and the need to maximize opportunities for Lower Income units, Staff proposes for consideration that the United Methodist Church site on Monterey Road be rezoned from Civic Space to Multi-Family Residential as part of the Housing Element and General Plan Updates in order to accommodate an additional 100 units. The calculation of 100 units assumes the preservation of an open space buffer that exists between the church buildings and the adjacent single-family neighborhood.

Rezone Open Space for Multi-Family buildings (~475 units)

While Staff and PlaceWorks have calculated that ~475 units of Lower Income housing could fit on two parcels of Open Space, the ballpark area of the Arroyo Seco Open Space and vacant land in Altos de Monterey, Staff does not recommend pursuing these sites for housing. The Arroyo Seco property is actively used as open space and for recreation, and the site in Altos de Monterey is not desirable for many reasons including neighborhood incongruity, access issues, and environmental constraints.

Rezone and incentivize Single-Family Neighborhoods to allow Multi-Family buildings (TBD)

As a last resort, Staff and PlaceWorks will develop proposals to rezone and incentivize the production of Multi-Family buildings and small lot development in existing Single Family Neighborhoods. Not only is this approach undesirable given the goal to preserve the scale and historic character of South Pasadena neighborhoods, but this approach is also difficult to implement to the State's standards. The State Housing and Community Development Department (HCD) requires that a density of 30 du/ac minimum for sites to be automatically eligible toward RHNA Lower Income targets (with the exception of ADUs), and the State requires additional findings of feasibility for sites less than 0.5 acres in size for Lower Income development. Therefore, the City would need to adopt significant zoning modifications and incentives, including to aggregate Single Family lots, and/or reduce the minimum lot size and create new zoning for small lot developments for lot sizes of approximately 2,880SF in order to propose Low Income RHNA units in existing Single Family neighborhoods.

Aggressive ADU Policy, including Affordability Incentives

In an effort to maximize capacity for the City to meet its RHNA obligations, Staff and PlaceWorks have already included aggressive ADU production assumptions into the preliminary Sites Analysis. Should the Planning Commission recommend and the City Council adopt a less aggressive policy for ADUs than assumed thus far, the City's RHNA shortfall could grow by an additional ~200 units. More discussion about City's ADU Ordinance is presented later in this report.

Increase heights and densities on strategic sites in DTSP and Neighborhood Centers to maximize units (~476 units)

Of the 28 good candidate sites referenced above as underutilized sites in the Downtown and Neighborhood Centers, Staff and PlaceWorks have identified five (5) sites that could provide ~476 more Low Income Units if approved for density and height increases. The five (5) sites

have been identified as opportunities for additional height due to their unique locations, including: one that is adjacent to the Gold Line Metro station; a large site on Fair Oaks in the Downtown; one on the border of the city next to multi-family and commercial properties; and two in an area near the 110 freeway, surrounded by light industrial buildings and other multi-family housing. Precedent projects that represent concepts for height, density, and design style and materials have been selected as examples for the community to consider, and all five (5) sites are proposed to have a variety of heights and stories, to provide transitions to their adjacent context.

The below table provides a summary of the above options to address the 926 unit shortfall and Staff’s recommendation to meet the RHNA obligation:

Strategies to Address 926-Unit Shortfall to Comply with RHNA Obligations	Projected Unit Yield
Redevelop Underutilized Lots in Downtown & Neighborhood Centers (~370 units)	~370
Rezone Non-Residential for Multi-Family buildings (~100 units)	~100
Rezone Open Space for Multi-Family buildings (~475 units)	Not recommended
Rezone & incentivize Single-Family Neighborhoods to allow Multi-Family bldgs	Not recommended
Aggressive ADU Policy, including Affordability Incentives	Included
Increase Heights and Densities on 5 sites in DTSP, Neighborhood Ctrs (~476 units)	~476
CURRENT ESTIMATED TOTAL	~946

Recommendations for Increased Height and Density

Proposed Height Increase to Five (5) Sites

Staff and the City’s housing consultant understand that the small town character that makes South Pasadena unique is preserved by both the voter-approved 45 feet limit set in 1983 and the protections for its historic resources; and therefore, the Housing Element team has based the Sites Analysis on assumptions that would continue to protect the local character and historic resources. Based on the preliminary results of the Sites Analysis, the City will not be able to meet its RHNA obligation *and* include protections for existing open space and smaller scale residential neighborhoods unless limited height increases from 45 feet to 52 feet are allowed on three (3) sites, and up to 60 feet on two (2) sites in the City. Design standards such as requirements to vary building heights from 3-4 stories for 52 feet maximum height sites and 4-5 stories for 60 feet maximum height sites, to allow for transitions to adjacent context, are already built into calculations of these five (5) height increase recommendations. The proposed height increase would apply only to mixed-use projects with housing as the predominant or only use and would be required to include affordable housing units in its unit mix.

Proposed Height in Draft Downtown Specific Plan Area for 4-Story Buildings

Although not directly related to the City’s obligation to meet RHNA, Staff also recommends that the Planning Commission recommend raising the height limit for 4-story buildings, as proposed for Fair Oaks in the Downtown Specific Plan, from 45 feet to a maximum of 52 feet, with an additional requirement of height variation to provide appropriate transitions to adjacent buildings. On May 12, 2020, PlaceWorks presented this recommendation to reflect best design practices for floor-to-floor heights in mixed use buildings, emphasizing flexibility for future

ground floor uses, daylighting and natural ventilation that is allowed by a ground floor ceiling height of up to 18 feet and residential floor-to-floor heights of 12 feet. While PlaceWorks’ recommendation was to increase the maximum height for 4-story buildings from 45 feet to 54 feet, Staff believes that a maximum height of 52 feet is sufficient, providing for 16 feet ground floor heights and 11 feet upper floor heights. The proposed height increase would apply only to mixed-use projects with housing as the predominant or only use and would be required to include affordable housing units in its unit mix.

Options for increased height at the following five (5) locations are presented below, and in Attachment 1 with precedent project examples to help visualize the proposed heights and densities.

Parcel	Density	Height* to be set by DTSP and GP, but Requires Majority Vote if above 45’	Estimated Additional Unit Yield
Gold Line Storage Site, Mission Street (919 Mission Street)	Further increase density from 50 to 60 du/ac	Increase height from 45 to 52 feet	19 units
Von’s Site, Fair Oaks Avenue (1105-1141 South Fair Oaks)	Further increase density from 50 to 65 du/ac	Increase height from 45 to 52 feet	100 units
Ralph’s Site, Huntington Drive Neighborhood Center (1745 Garfield Avenue)	Increase density from 30 to 50-75 du/ac	Increase height from 45 to 60 feet	141-219 units
Vacant Site, Ostrich Farm Neighborhood Center (123 Pasadena Avenue)	Increase density from 30 to 65-80 du/ac	Increase height from 45 to 60 feet	43-59 units
Tyco Site, Ostrich Farm Neighborhood Center (220 Pasadena Avenue)	Increase density from 30 to 60-75 du/ac	Increase height from 45 to 52 feet	96-145 units
Total			399 - 542 units*

**An additional ~456 units are required to be identified in the 2021 Housing Element Sites Analysis to meet the 926-unit shortfall assuming other Staff assumptions are acceptable regarding underutilized best candidate sites (~370 units) and rezoning non-residential sites (~100 units), and that rezoning open space and single-family neighborhoods are not to be included as options at this time. Pending finalization of a small sites analysis, the approximate number of additional units required may be reduced, but not by a significant amount. Staff will provide an update on this pending analysis on July 21st.*

Alternative Recommendations

If the Planning Commission prefers to focus a potential height and density increase to specific areas or corridors of the city rather than five (5) dispersed locations, Staff recommends the following alternative height increase proposals:

- 1) In the Ostrich Farm Neighborhood Center, including the vacant property at 123 Pasadena Ave (at 60 feet height and 80 du/ac), the Tyco site at 220 Pasadena Ave (at 52 feet height and 60 du/ac), and plus 5 additional candidate parcels in the Ostrich Farm for targeted heights between 52 - 60 feet and densities between 70-80 du/ac. The proposed height increase would apply only to mixed-use projects with housing as the predominant or only use and would be required to include affordable housing units in its unit mix. The estimated unit yield would be ~460.
- 2) If an increase from 45 feet to 52 feet is supported along Fair Oaks in the Downtown, consider increasing the density from 50 du/ac to 60 du/ac on eligible properties. The proposed height increase would apply only to mixed-use projects with housing as the predominant or only use and would be required to include affordable housing units in its unit mix. The project unit yield has yet to be determined but will be available for the Commission's consideration at the July 21st meeting.

Not Recommended by Staff

The only other alternatives to meet the 926-unit shortfall are to either increase the densities in the Downtown and Neighborhood Centers without increasing or right-sizing the height which would thereby compromise commonly used design controls such as setbacks, façade variation, and transitions in height for adjacent context; or to rezone either single-family neighborhoods or open space to accommodate multi-family buildings and/or small lot development. Staff and PlaceWorks believe that both of these alternatives would more negatively affect the local character than selected height increases. As well, existing Multi-Family properties are not good candidate sites for redevelopment because the margin between the cost of redevelopment for affordable housing compared to existing return from rent revenues is not desirable. In addition, existing multi-family properties typically make up the majority of a city's existing affordable housing stock.

Update to the Accessory Dwelling Unit Ordinance

On January 28, 2019, the Planning Commission discussed and provided guidance regarding proposed housing policies to improve the accessibility of affordable housing and to improve the condition of the City's rental housing stock. Their guidance included amendments to the City's Accessory Dwelling Unit (ADU) Ordinance and suggestions for inclusionary housing and tenant protection programs. On December 18, 2019, City Council adopted an urgency ordinance to bring the City's Accessory Dwelling Unit (ADU) Ordinance into compliance with recent state legislation, maintaining the existing requirements where possible, and asked that Staff return to Council with amendments to the ADU Ordinance for design standards aimed at retaining as much design discretion as possible given state law. In addition to amending the ADU Ordinance for design standards, Staff recommends amending the ordinance to provide additional incentives to make ADUs affordable. In an effort to maximize capacity for City to meet its RHNA obligations, the Housing Element Sites Analysis includes an assumption that the ADU Ordinance

will be updated as part of the Housing Element to provide aggressive incentives for ADU production and affordability.

Recent legislation has reduced local control over the approval of ADUs, including discretionary approval. Specific local enhancements to the City’s existing ADU Ordinance beyond the state regulations should be considered to ensure adequate community input. An update to the City’s ADU Ordinance could include the following provisions:

- Change the maximum ADU size.
- Establish design guidelines.
- Establish incentives for affordable housing deed restrictions.
- Create pre-approved ADU plans.
- Coordinate with non-profit organizations or other funding resources to help subsidize ADU construction for homeowners.

Inclusionary Housing Ordinance

An Inclusionary Housing Ordinance will provide a significant boost to the actual production of affordable housing in the city. And, as referenced above, the timing of adopting an ordinance is critical to the 2021 Housing Element in being able to demonstrate that up to ~370 units from the redevelopment of the best candidate sites in the city could be counted as Lower Income units.

The City Council, Planning Commission and community at large have requested that an Inclusionary Ordinance be developed for the city to promote the inclusion of affordable housing units in new residential projects. Based on community outreach conducted in 2019 and previous Council discussions, Staff recommends that the Planning Commission discuss the applicability of the following initial provisions regarding the development of an Inclusionary Housing Ordinance:

- Apply to all new residential developments of five or more units.
- Require a minimum number of lower income units to be included in each new residential development project depending on development size:

Number of Units in Residential Development	Extremely Low Income	Very Low Income	Lower Income
5–10	-	-	10%
10–25	-	5%	10%
26+	5%	10%	15%

- Allow developers to meet their inclusionary housing requirements by converting market-rate units within the city to affordable housing units:

Number of Units in Residential Development	Extremely Low Income	Very Low Income	Lower Income
5–10	-	-	20%
10–25	-	10%	20%

26+	10%	20%	30%
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- Require the inclusionary housing units to be dispersed throughout the project.
- Require the inclusionary housing units to be compatible with the design and materials of the market-rate units.
- Require an inclusionary housing agreement/deed restriction reserving the lower income units for a minimum of 55 years to run with the land and be recorded in the County Recorder's Office.
- Establish an administrative fee to hire additional staff to administer an affordable housing program.

Next Steps

1. August 5, 2020: Deadline for the City Council to place a measure on the ballot for the November 3, 2020 election.
2. August 2020 to January 2021: Prepare draft GP and DTSP Environmental Document, including Housing Element assumptions, for circulation
3. November 3, 2020: Special Municipal Election
4. January 2021: Submit Draft Housing Element to HCD
5. March/April 2021: Planning Commission recommend GP, DTSP and Housing Element for adoption
6. May 2021: City Council Hearing for adoption of GP, DTSP and Housing Element
7. October 15, 2021: Final 2021 Housing Element Update due to HCD

Background

In 1983, a voter initiative established that no building in South Pasadena shall exceed a height of 45 feet. The Zoning Code limits Residential Estates, Residential Single Family, and Residential Medium Density properties to 35 feet; and Residential High Density and Commercial properties to 45 feet. Any change to the height limit requires that voters pass a local ballot measure with a majority vote. The only way for a project to exceed the established height limit is to apply the California State Density Bonus Law, which allows up to a 35 percent increase in density (depending on the amount of affordable housing that is provided) and includes the necessary height to accommodate such density.

In November 2019, the City received its draft Regional Housing Needs Assessment (RHNA) allocation of 2,062 units. The City has opposed the exceptionally high RHNA allocation and submitted letters to both the Southern California Association of Governments (SCAG) and its legislators requesting an amendment to both the regional and local allocations. Governor Newsom's "stretch goal" of 3.5 million homes by 2025 created an infeasible allocation for cities throughout the state, including of over 2,000 units for the City. Furthermore, the methodology used to divide the regional allocation to local jurisdictions fails to incorporate local input such as anticipated household growth associated with projected population increases, local historic inventories, and South Pasadena's voter-initiated height limit. While the City will continue to appeal the RHNA allocations through February 2021, the deadline for the Housing Element

Update remains the same. Therefore, Staff will continue to work on the Housing Element Update to comply with the state requirements.

On March 4, 2020, the City Council authorized a contract with PlaceWorks to update the City's Housing Element. On May 30 and June 2, 2020, the City hosted two public workshops to initiate discussions with the community regarding the state-mandated housing units and strategies to accommodate those housing units.

Legal Review

The City Attorney has reviewed this item.

Fiscal Impact

There is no fiscal impact.

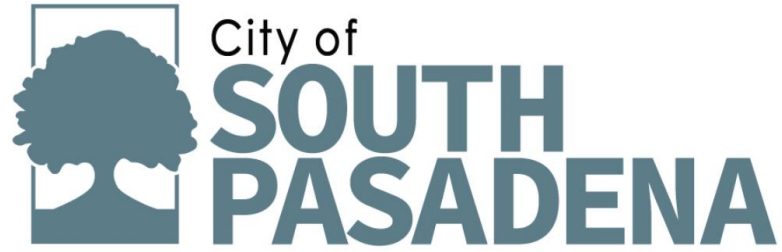
Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachments:

1. 2021 Housing Element Update –Preliminary Sites Analysis & Recommendations Presentation
2. RHNA Letters
3. Public Comments (as of 10:00PM on July 17, 2020, additional public comments will received during the public comment period will be provided in an additional document)

ATTACHMENT 1
2021 Housing Element Update – Draft Preliminary
Sites Analysis Presentation



South Pasadena Housing Element

Planning Commission

July 21, 2020

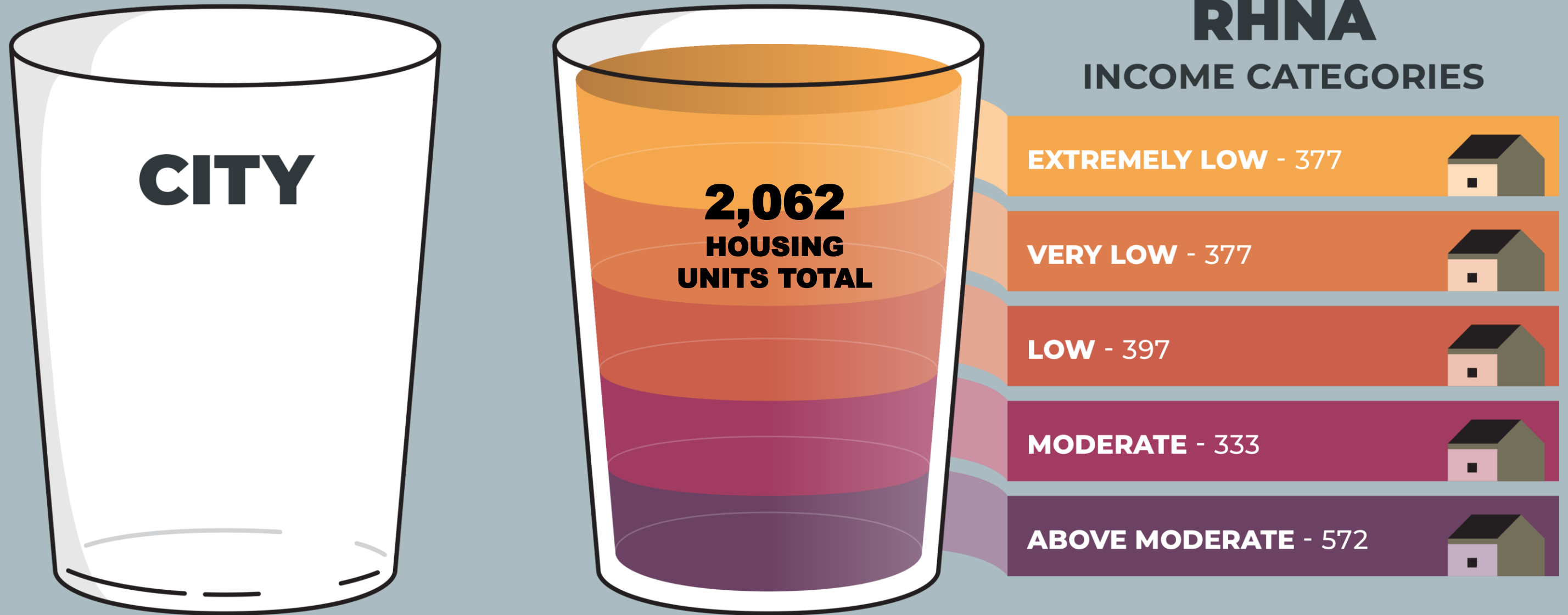
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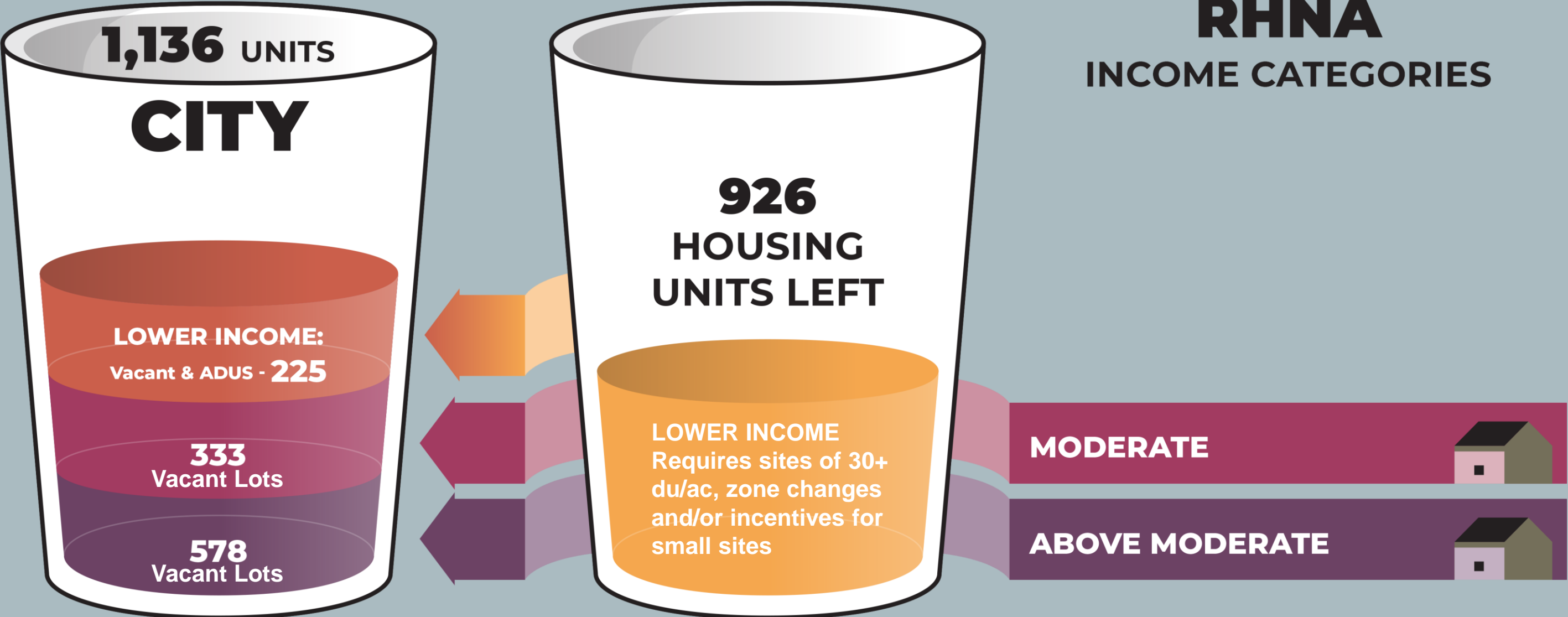
2021-2029 Regional Housing Needs Assessment

Income Category	Income Level (Percentage of Median Family Income)	2021-2029 RHNA
Extremely Low	30% or less	377
Very Low	31% to 50%	377
Low	51% to 80%	397
Moderate	81% to 120%	333
Above Moderate	More than 120%	578
Total		2,062

Total RHNA



Capacity to meet RHNA (ADUs, GP, DTSP)



Moderate + Above Moderate RHNA Easily Accommodated on Vacant Lots and ADUs

- through Existing Zoning, Draft DTSP* and Draft General Plan Neighborhood Centers

**Assume 50 units/acre for Draft DTSP*

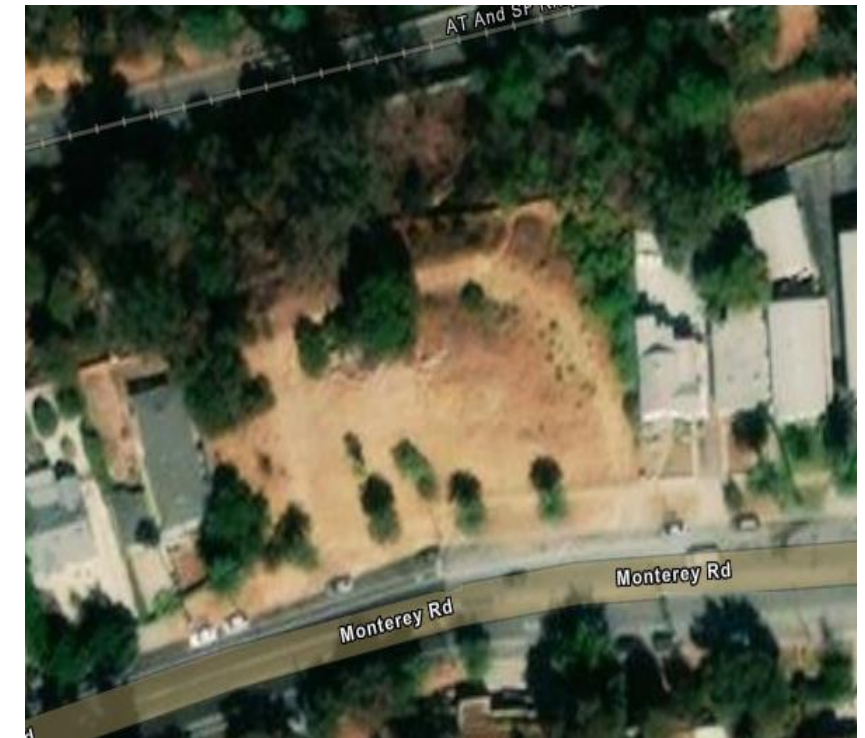
	Extremely Low	Very Low	Low	Moderate	Above Moderate	Totals
RHNA	377	377	397	333	578	2,062
Projected ADUs	0	0	200	400	400	1,000
Vacant Sites – DTSP and Draft GP		25		73	258	356
Remaining or (Surplus) RHNA		926		(140)	(80)	

Density Assumptions: Extremely Low, Very Low and Low – 30 du/ac on sites > 0.5 acres; Moderate – 14-30 du/ac, sites allowing 30 du/ac < 0.5 acres; Above Moderate – 6 or less du/ac

RHNA Housing Unit Shortfall

» 926 Lower Income Units

- *Lower Income RHNA = Extremely low, very low and low income RHNA combined*
- Sites accommodating lower income RHNA must allow 30 du/ac or greater
- As required by state law, if more than half of total lower income RHNA (576 units) are accommodated on non-vacant sites, additional information must be included and findings must be made
- If sites smaller than 0.5 acres are relied on, additional analysis/evidence and incentives must be provided



Sites Analysis Assumptions

(Based on preserving Community Character and Values)

Excluded from current sites analysis:

- Non-vacant sites where property owner has no interest in redevelopment or sites with active, viable uses
- Sites Smaller than 0.5 acres that cannot be aggregated
 - HCD requires additional analysis and incentives demonstrating suitability of sites smaller than .5 acres

Sites Analysis Assumptions, continued

(Based on preserving Community Character and Values)

Excluded from current sites analysis:

- Majority of historic sites
- Minimize counting sites that require a zone change
- Sites that do not have support from the property owner and community to be used for housing
- Sites with excessive environmental or access constraints

Remaining RHNA to Address: 926 units

» Ways to Address Remaining RHNA *(Updated 7/18/20)*

- Redevelop Underutilized Lots in Downtown and Neighborhood Centers (~370 units)
- Rezone Non-Residential for Multi-Family buildings (~100 units)
 - (Fremont, Monterey Road)
- Rezone Open Space for Multi-Family buildings (~475 units)
 - (Arroyo Seco, Altos de Monterey)
- Rezone and incentivize Single-Family Neighborhoods to allow Multi-Family buildings (tbd)
 - (Allow 16-unit Multi-Family housing and subdivision of lots for small lot development)
- Aggressive ADU policy to incentivize affordability for ADUs
 - (Baseline already includes this assumption. Without aggressive ADU policy, shortfall is larger)
- Increase heights and densities on strategic sites in DTSP and Neighborhood Centers to maximize units (~476 units)
 - (mix of 3-5 stories on five (5) sites in Downtown, Huntington Dr and Ostrich Farm; and/or small lot development in Ostrich Farm)

Strongest Non-Vacant Candidate Sites

- » **740 units, half of which (~370) can be assumed for Low Income RHNA**
 - 28 parcels
 - DTSP – 50 du/ac*
 - Neighborhood Centers – 30 du/ac
 - Calculating ~370 (half of 740) safeguards City’s compliance with “No Net Loss” state law
 - Assumes redevelopment of all parcels at 80% development
 - Includes sites 0.50 acres or larger with likelihood to redevelop and/or with owner interest
 - “Likelihood” could include: sites that are City owned; currently underutilized; are similar to other sites recently redeveloped with high density housing; and not occupied by viable long-term uses.
 - ALL Non-Vacant Sites need to provide evidence and make findings that site is likely to redevelop as housing in next few years

50 du/ac Downtown: Mission Bell Precedent

**50 du/ac for DTSP recommended by the Planning Commission in May 2020. Published Draft DTSP shows 30 du/ac*

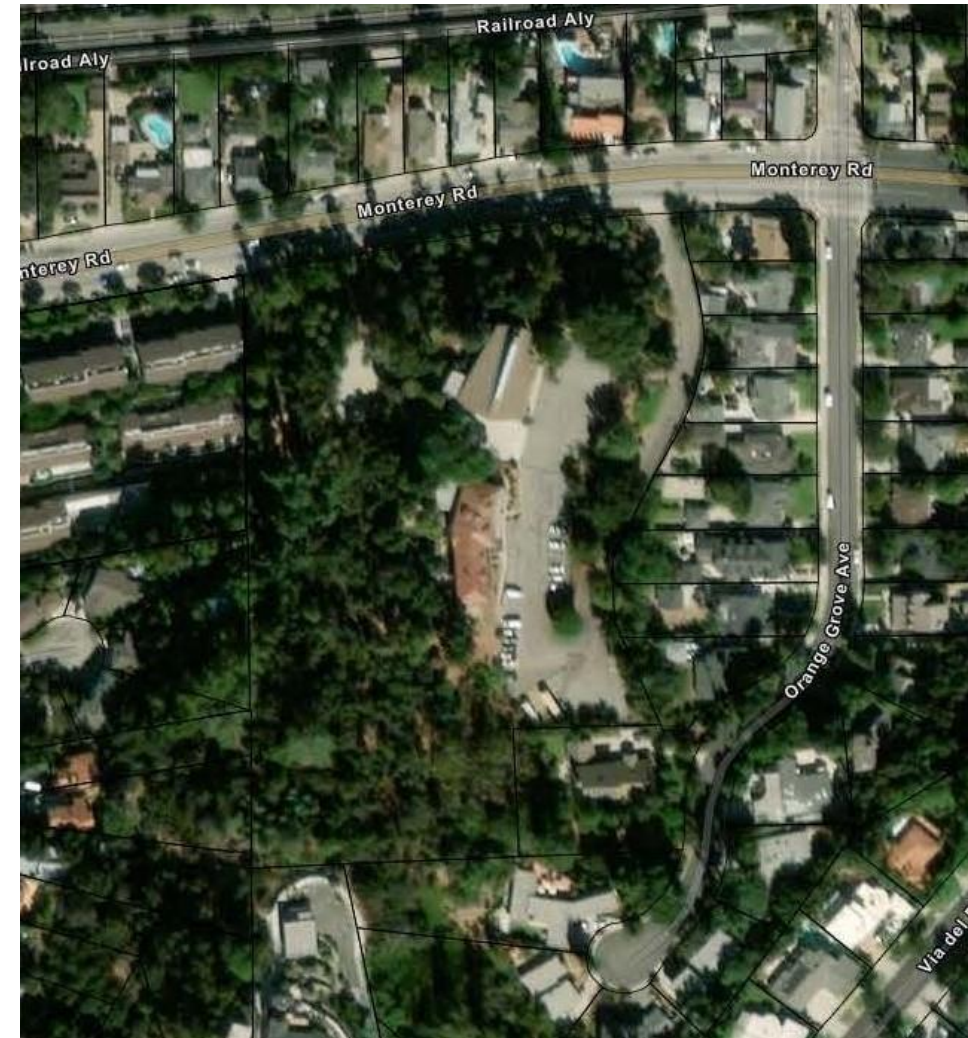
- » Location: South Pasadena
- » Type: Market-rate
- » Parking: Underground
- » Commercial: 7,394 sf
- » Units: 36
- » Height: 3 stories, 40'
- » Density: 50units/acre



Other Non-Vacant Sites that could accommodate Lower Income Units, but would require rezoning

» 100 units at Monterey Rd Site (UMC)

- 1 parcel
- Rezoning required
- Underutilized parcel
- 30 du/ac
- Interested property owner
- 45-foot height allowed
- Would need to provide evidence and make findings that site is likely to redevelop as housing in next few years

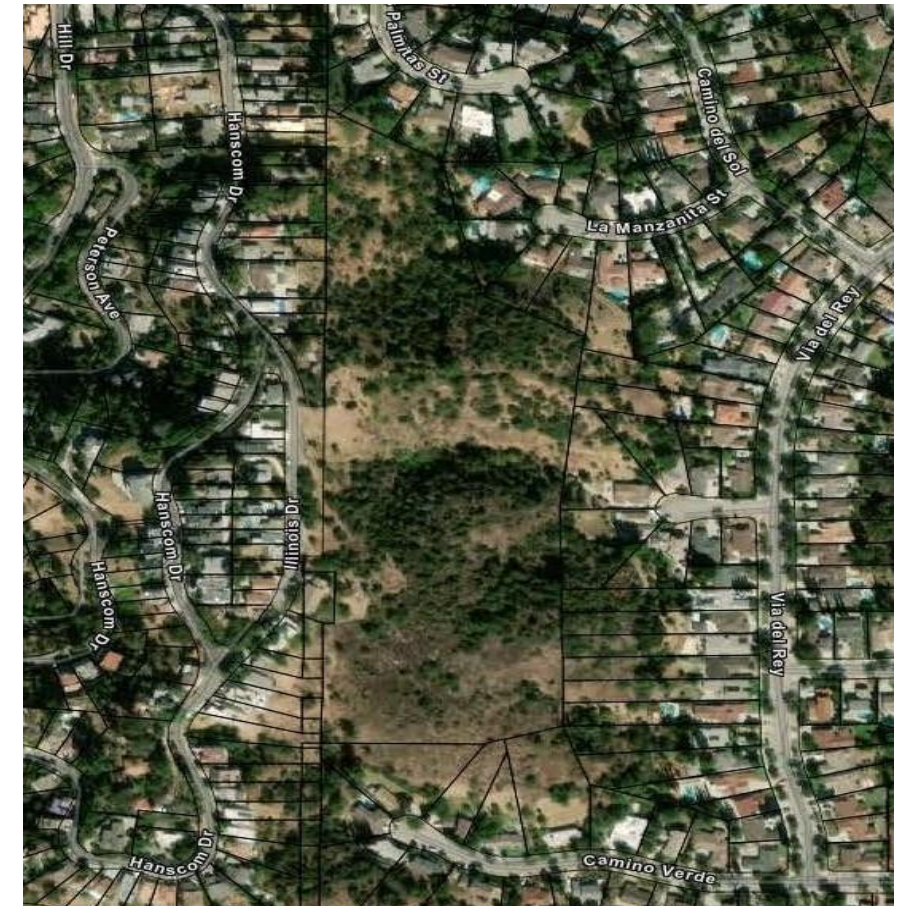


Other Vacant Sites that could accommodate Lower Income Units, but would require rezoning:

Given the existing community benefit of the current use of Arroyo Seco, and access and environmental constraints of developing vacant site in Altos de Monterey, rezoning of either for housing is not likely

» 475 units at Arroyo Seco & Altos de Monterey

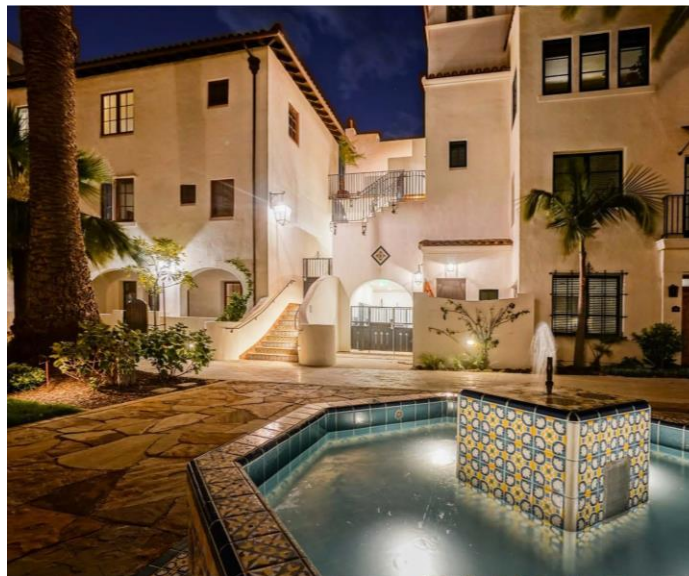
- 2 parcels
- Rezoning required
- 30 du/ac
- 45 foot height allowed
- Assumes redevelopment of both parcels at 80% unit capacity



Up-zoning in Single Family Neighborhoods?

» Shortfall is not recommended to be addressed by upzoning single family neighborhoods to allow multi-family buildings or small lot development

- 30 du/ac and consolidation of parcels to 0.5+ acres would need to be allowed and incentivized
- Small Lot Development would need to be allowed and incentivized



Increasing Density but not Height in the Downtown?

- » **Shortfall is not recommended to be addressed by increasing density without right-sizing the density and height**
 - Increasing density alone would compromise commonly used design controls such as setbacks, façade variation, and transitions in height for adjacent context



Four Districts, Five Sites Recommended for Height and Density Increases

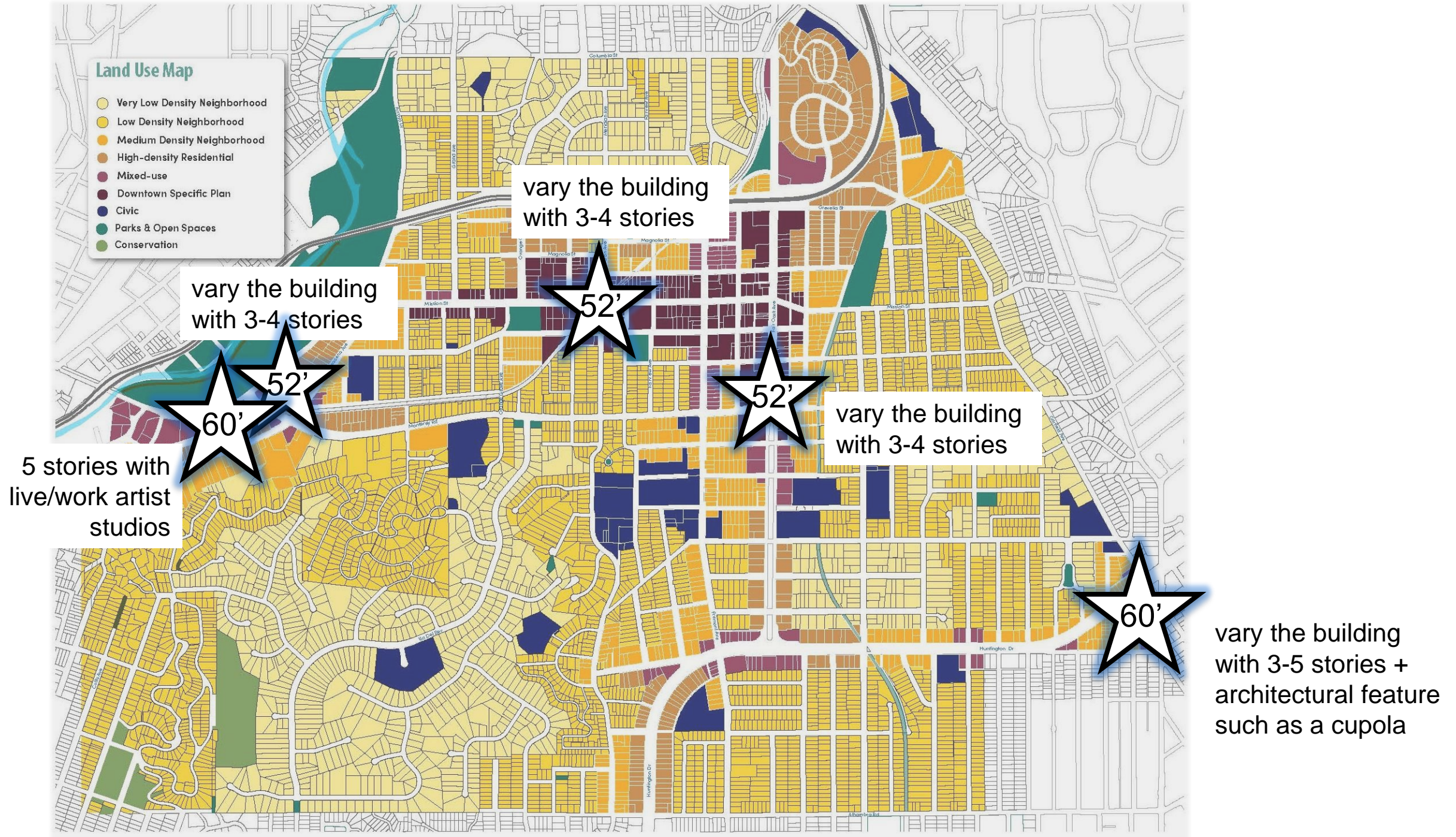
- » **Mission Street: Gold Line Storage**
- » **Fair Oaks Avenue: Vons**
- » **Huntington Center: Ralphs**
- » **Ostrich Farm Center: Vacant Site, Existing Warehouse/Tyco**

Height Increase Recommended for 5 sites

DRAFT

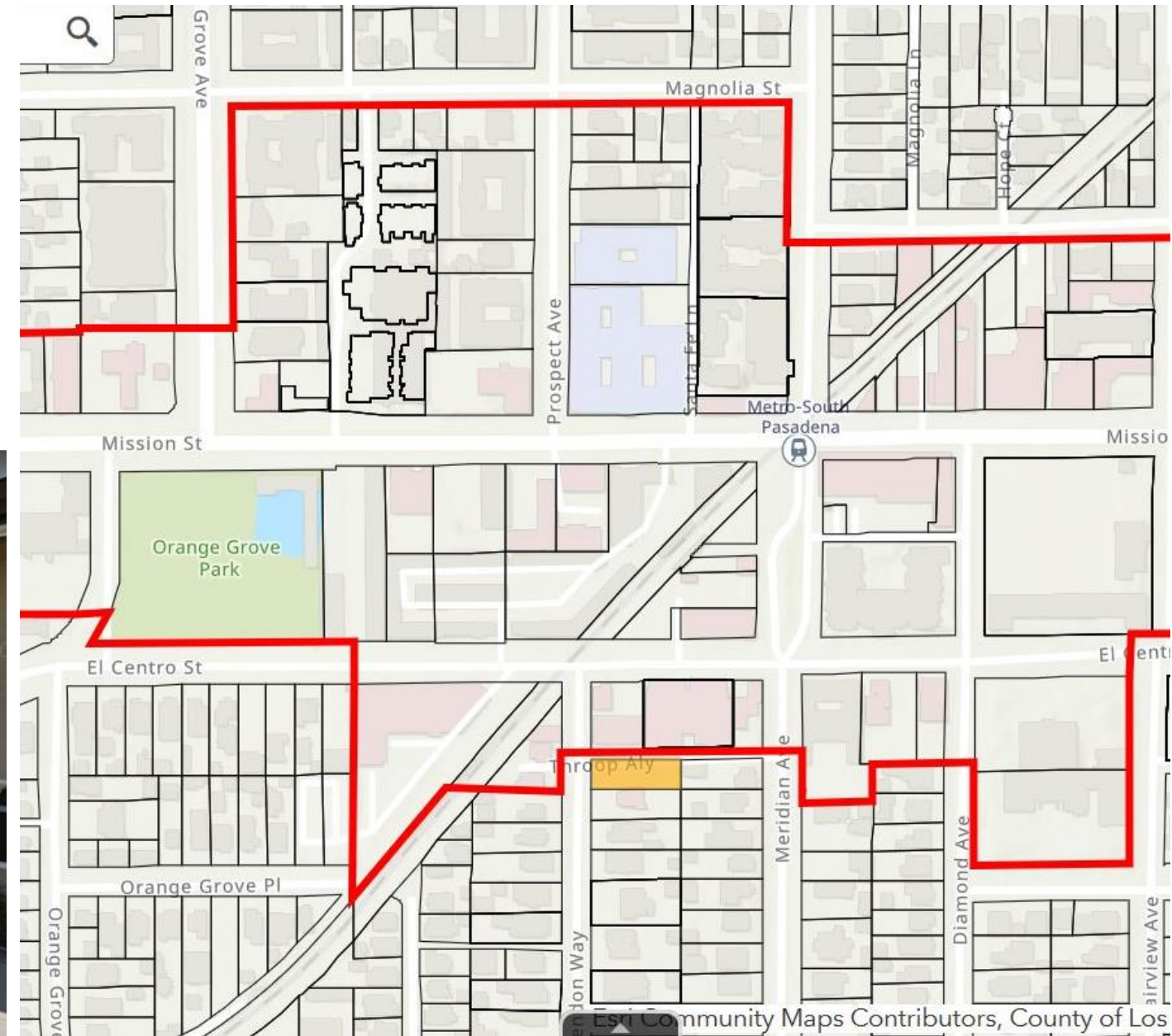
Downtown & Neighborhood Centers

- Height increase up to 52' - 60' at 5 sites



Mission Street: Gold Line Storage

- » APNs: 5315020014, 5315020008, 5315020009
- » Address: 919 Mission Street
- » Size: 1.81 Acres



Gold Line Storage: The Orchard Precedent

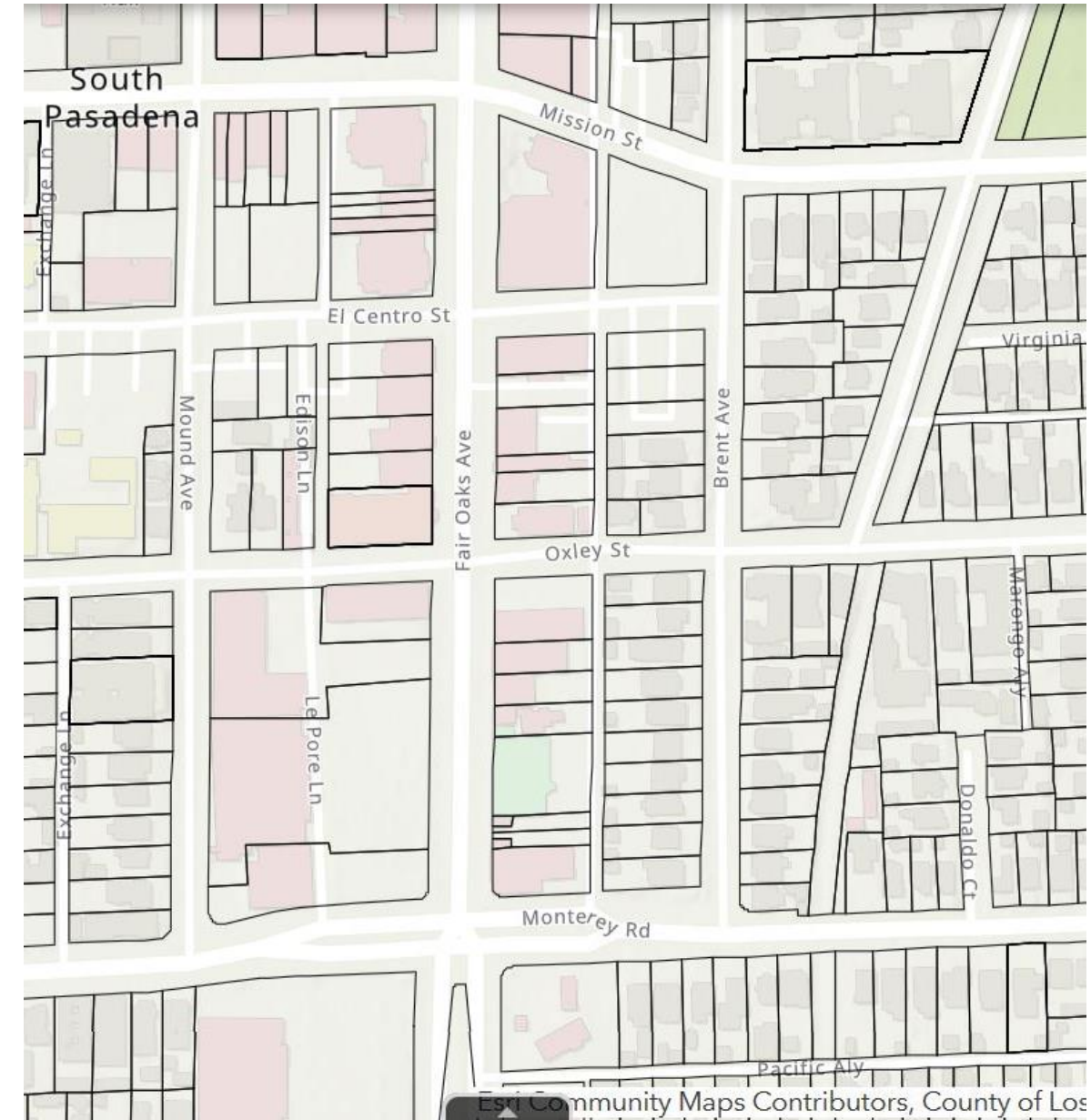
- » Location: Azusa
- » Type: Market-Rate
- » Parking: Underground and At-Grade
- » Commercial: 23,000 sf
- » Units: 163
- » Height: 4 stories
- » Density: 73 units/acre



Baseline Assumption (50 du/ac, 3 stories, 40')	Proposed Height + Density (60 du/ac, mix 3-4 stories, 52')
90 Units	109 units

Fair Oaks Ave: Vons Site

- » APNs: 5315004066, 5315004083, 5315004084, 5315004085
- » Address: 1105-1141 S Fair Oaks
- » Size: 3.95 Acres



Vons Site: The Orchard Precedent

- » Location: Azusa
- » Type: Market-Rate
- » Parking: Underground and At-Grade
- » Commercial: 23,000 sf
- » Units: 163
- » Height: 4 stories
- » Density: 73 units/acre



Baseline Assumption (50 du/ac, 4 stories, 45')	Proposed Height + Density 65 du/ac, mix 3-4 stories, 52')
157 Units*	257 units**

* Assumes only parking lot redevelops

** Assumes redevelopment of full site

Huntington Center: Ralphs Site

- » APNs: 5321019009, 5321019022
- » Address: 1745 Garfield Ave
- » Size: 3.12 Acres



Ralphs Site: Andalusia Precedent

- » Location: Pasadena
- » Type: Courtyard
- » Parking: Underground
- » Commercial: 7,600 sf
- » Units: 118
- » Height: 4 story/6 story edge
- » Density: 100 units/acre



Baseline Assumption (30 du/ac, 3 story, 45')	Proposed Height + Density (75 du/ac, mix 3-5 story, 60'+cupola)
15 Units*	234 units**

* Assumes only parking lot area

** Assumes redevelopment of full site

Ralphs Site: Lincoln/Orange Grove Precedent

- » Location: Pasadena
- » Type: 100% Affordable
- » Parking: Subterranean
- » Commercial: 10,000 sf
- » Units: 46
- » Height: 3-4 stories
- » Density: 39 units/acre



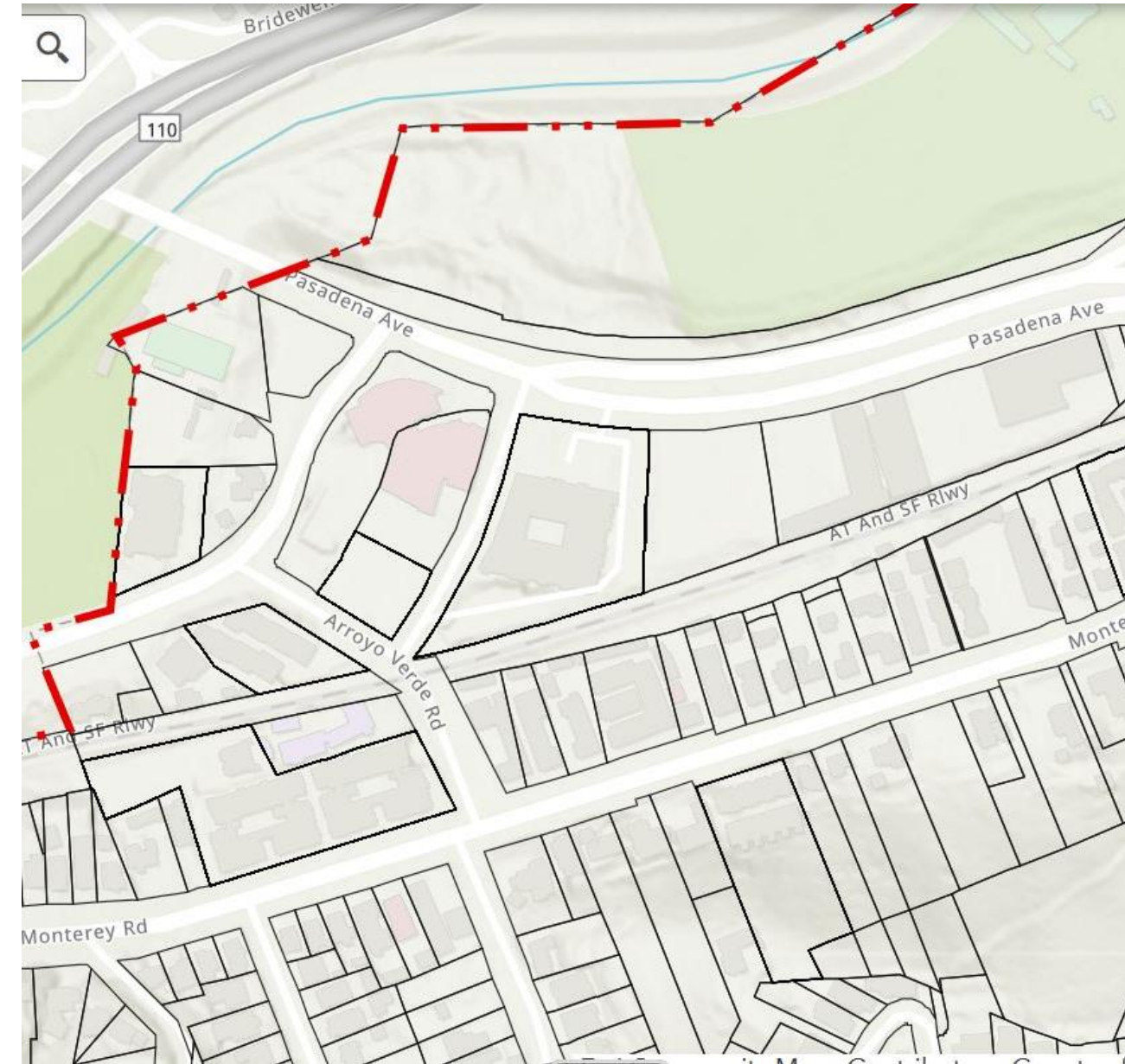
Baseline Assumption (30 du/ac, 3 story, 45')	Proposed Height + Density (50 du/ac, mix 3-4 story, 52')
15 Units*	156 units**

* Assumes only parking lot redevelops

** Assumes redevelopment of full site

Ostrich Farms: Vacant Site

- » APNs: 5311003096
- » Address: 123 Pasadena Ave
- » Size: 1.05 Acres



Ostrich Farm Vacant Site: Ace 121 Precedent

- » Location: Glendale
- » Type: 100% Affordable
- » Parking: Podium and Underground
- » Commercial: 0 sf
- » Units: 70, Live/Work, Studio, 1BR, 2BR
- » Height: 5 stories
- » Density: 65 units/acre



Baseline Assumption (30 du/ac, 3 stories, 45')	Proposed Height + Density (65 du/ac, 5 stories, 60')
25 Units	68 units

Ostrict Farm Vacant Site: Access Culver City

- » Location: Culver City
- » Type: Market
- » Parking: Underground
- » Commercial: 44,000 sf
- » Units: 115
- » Height: 5 stories
- » Density: 71 units/acre



Baseline (30 du/ac)	65 du/ac, 5 stories (max 60')
25 Units	68 units

Ostrich Farm Vacant Site: Aliso Arts Precedent

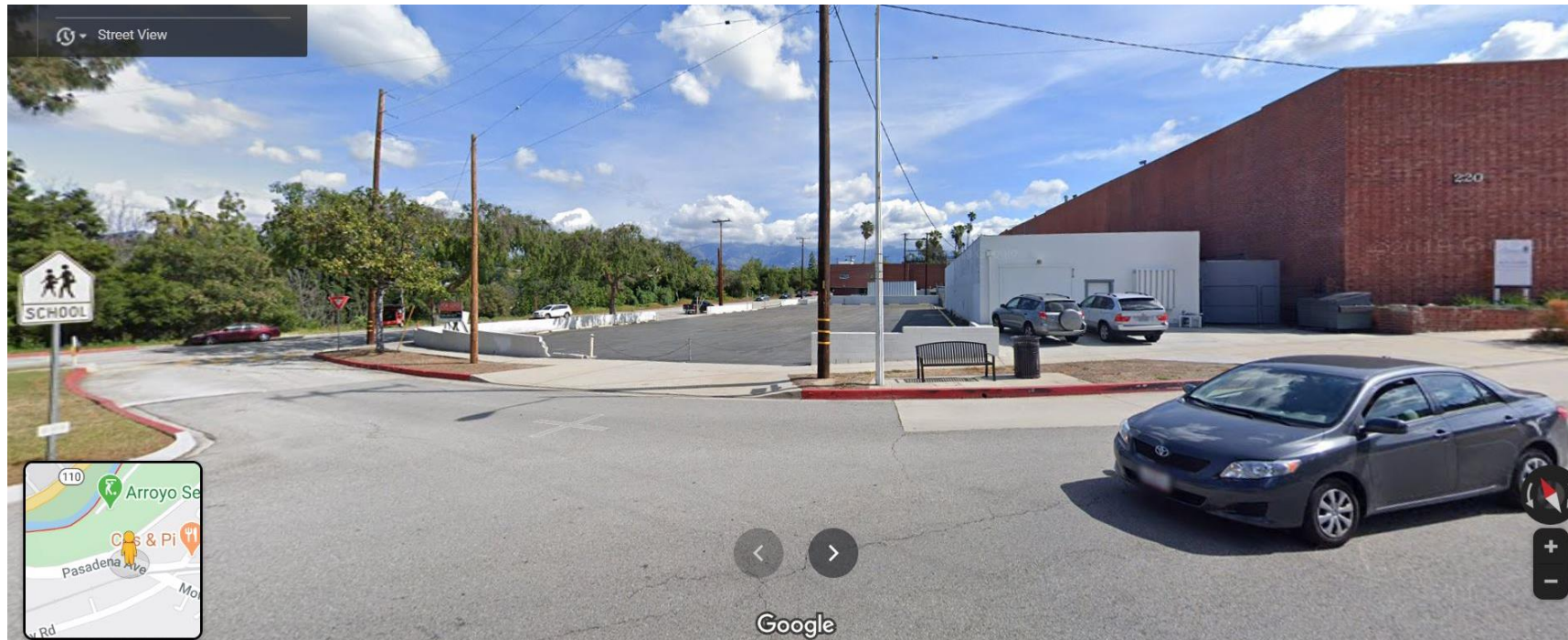
- » Location: Los Angeles
- » Type: Loft, Courtyard
- » Commercial: 22,000 sf
- » Units: 472
- » Unit Mix: Live/Work, Studio, 1BR, 2BR
- » Height: 5-6 stories
- » Density: 87 units/acre



Baseline Assumption (30 du/ac, 3 stories, 45')	Proposed Height + Density (80 du/ac, 5 stories, 60')
25 Units	84 units

Ostrich Farms: Tyco Site

- » APNs: 5313011007, 5313011009, 5313011010, 5313011012, 5313011013
- » Address: 210 Pasadena Ave
- » Size: 3.26 Acres



Tyco Site: Grace Village Precedent

- » Location: Santa Barbara
- » Type: 100% Affordable, Senior
- » Units: 58
- » Height: 3 stories
- » Density: 56 du/ac



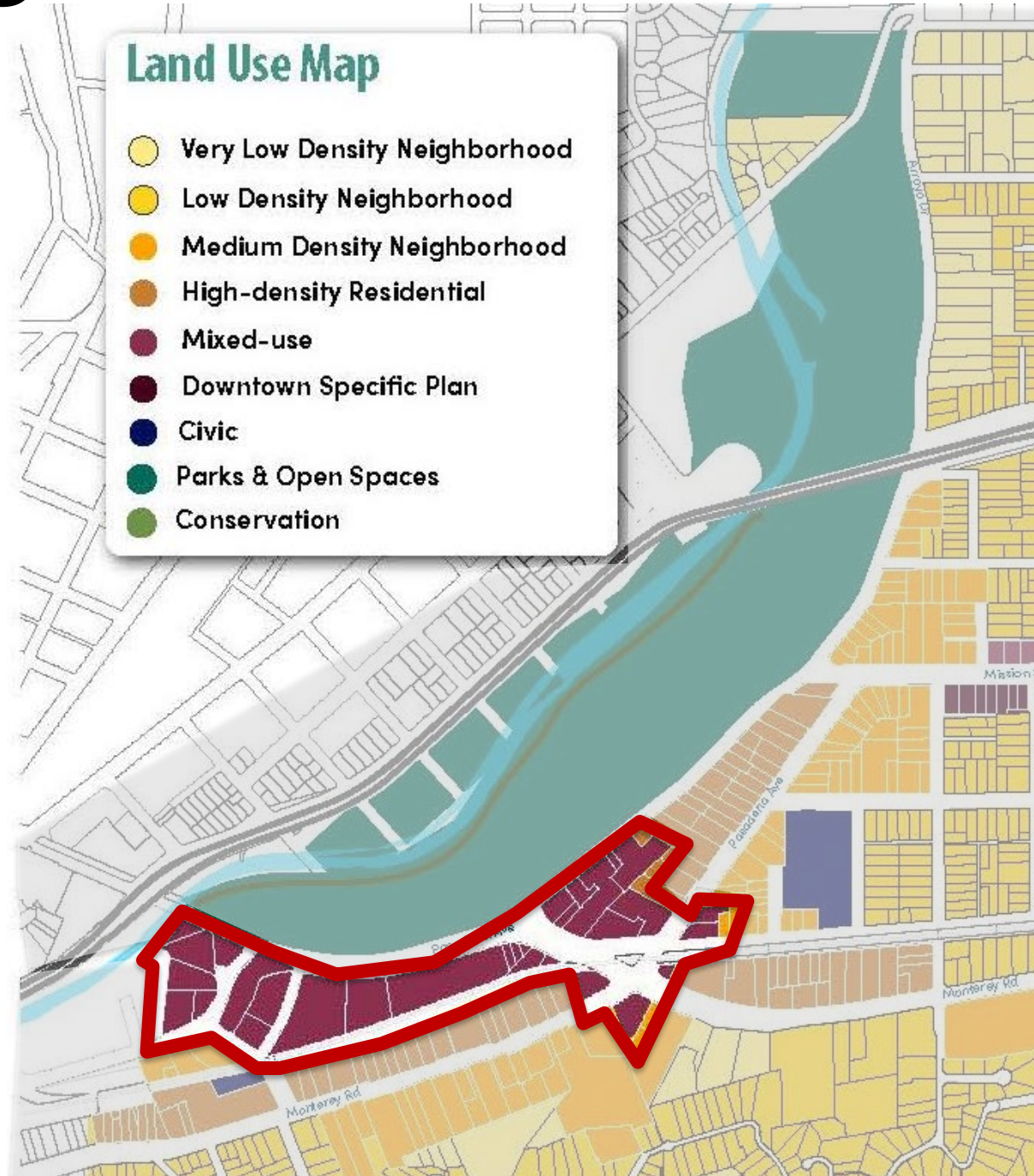
Baseline Assumption (30 du/ac, 3 stories, 45')	Proposed Height + Density 60 du/ac, mix 3-4 stories, 52'
100 Units*	196 units

* Based on owner interest

Alternative Height Recommendation #1

7 sites in Ostrich Farm

- Height increases up to 52'- 60' for buildings up to 5 stories
- Zoning change from 30du/ac to 70-80du/ac, and
- Includes: Vacant(123 Pasadena Ave), Tyco(Pasadena Ave), and 5 additional parcels over 0.5 acres



Alternative Height Recommendation #2

Fair Oaks in Downtown

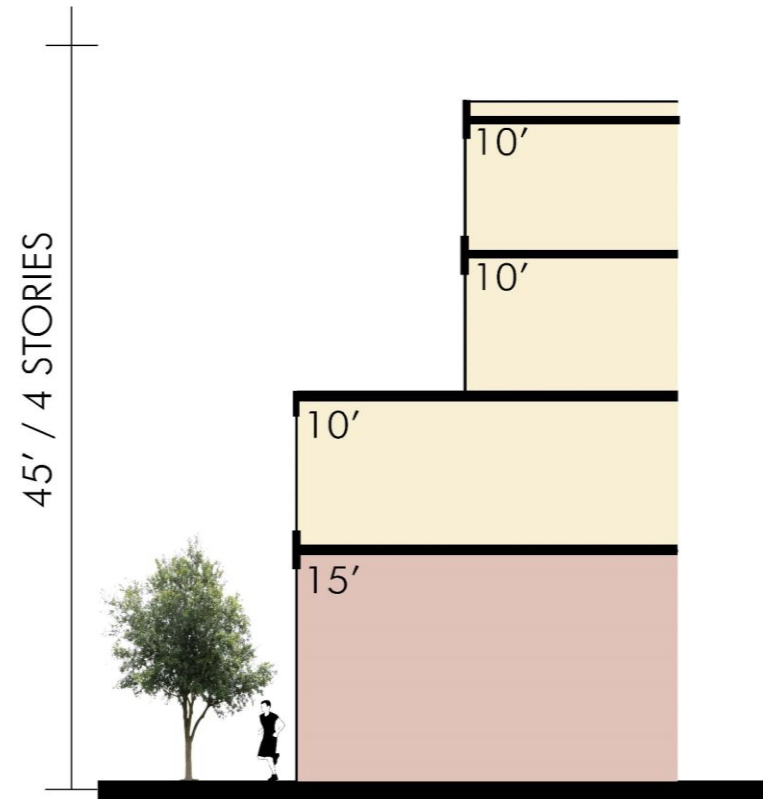
- Height increase up to 52 feet and 4 stories on Fair Oaks in the Downtown
- With requirement to vary heights to transition to adjacent context
- Zoning increase to 60 du/ac
- This alternative would likely need to be paired with another selected site for height increase to fully address shortfall

On May 12th, Planning Commission was asked to consider additional height in the Fair Oaks Zone to create flexibility in meeting sustainable building design objectives and to accommodate retail uses.

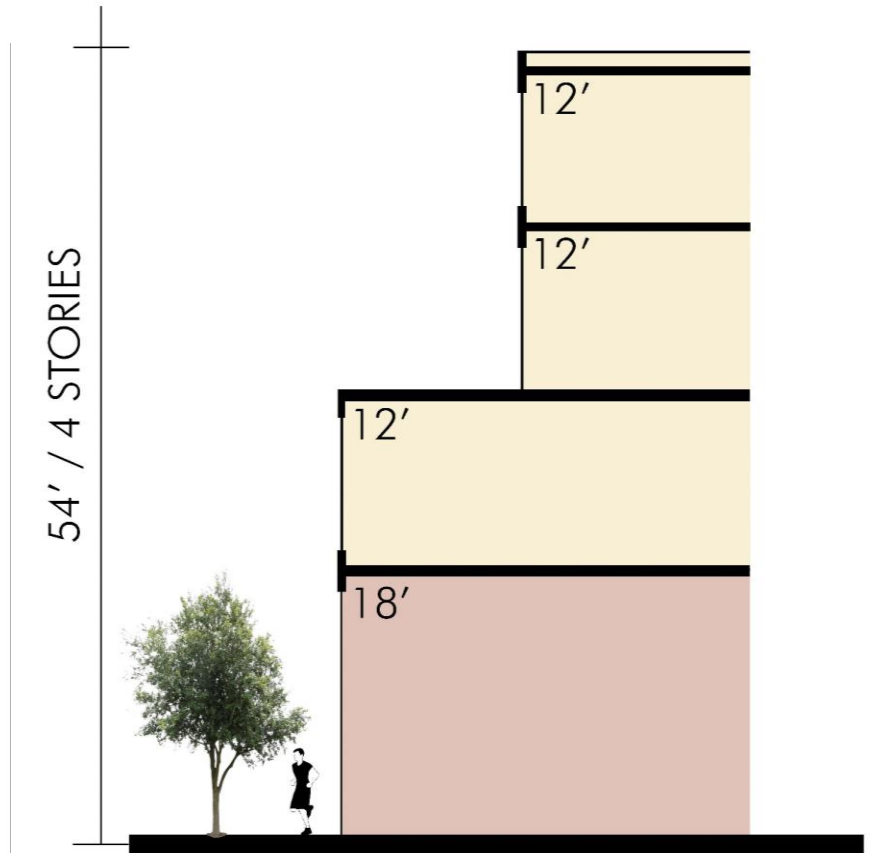
Planning Commissioner Discussion:

- PC discussion did not result in a recommendation of height increase, but instead focused on the need for sensitive height transitions to existing context, especially adjoining residential neighborhoods
- City Council liaison requested the Commission make a recommendation for height for City Council's consideration

Plan Standards



FOR CONSIDERATION Addit'l Height/Retail & Enviro



Staff recommends height increase to 54 feet (16' ground floor and 11' floor heights above)

ATTACHMENT 2
RHNA Letters



CITY OF SOUTH PASADENA

OFFICE OF THE MAYOR

1414 MISSION STREET, SOUTH PASADENA, CA 91030

TEL: (626) 403-7210 • FAX: (626) 403-7211

WWW.SOUTHPASADENACA.GOV

February 27, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

RE: Request to the Southern California Association of Governments to Amend the Regional Housing Needs Assessment Methodology for the 6th Cycle

Dear Mr. Ajise,

The City of South Pasadena respectfully requests that the Southern California Association of Governments (SCAG) amend the Regional Housing Needs Assessment (RHNA) methodology to reinstate local input as a factor in the existing need. The City of Cerritos recently submitted a proposal dated February 4, 2020, which recommends that household growth forecasts be reintroduced back into the calculations for the existing need as follows: household growth (33.3%), job accessibility (33.3%), and population within high quality transit areas (33.3%). These household growth projections are an important factor in that it takes into consideration the unique characteristics of each jurisdiction. Moreover, these growth projections more closely aligns the RHNA with the development pattern established within Connect SoCal (Draft 2020 Regional Transportation Plan) as required by state statute. Finally, as stated in the staff-recommended RHNA methodology staff report for the November 7, 2019, Regional Council meeting, the reintroduction of household growth into the existing need would further the five objectives of state housing law.

Furthermore, we are also requesting that SCAG object again to the Department of Housing and Community Development (HCD) in that they did not follow state law with the regional determination [see Government Code Section 65584.01(a)]. Even the Department of Finance recently updated its population projections and show a significant decrease since their previous forecast. Governor Newsom has also stated that his commitment to building 3.5 million homes by 2025 was a “stretch goal” and that the state would soon be releasing a more pragmatic estimate of the housing needs by region. The regional determination of 1.34 million housing units combined with an inequitable RHNA methodology are setting up local jurisdictions for failure to comply with state housing law.

We request that the SCAG RHNA Subcommittee; Community, Economic, and Human Development Committee; and Regional Council consider these two recommendations prior to the adoption of the RHNA. We recognize that there are time constraints established by state law;

however, the RHNA will have significant impacts on jurisdictions over the next decade. Therefore, it is imperative that the RHNA be finalized in a way that is equitable and attainable in responding to the housing crisis.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert S. Joe".

Robert S. Joe
Mayor of South Pasadena

cc: South Pasadena City Council
Stephanie DeWolfe, City Manager
Teresa L. Highsmith, City Attorney





CITY OF SOUTH PASADENA

OFFICE OF THE MAYOR

1414 MISSION STREET, SOUTH PASADENA, CA 91030

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March 24, 2020

Chris Holden, Assemblymember
41st Assembly District
State Capitol, P.O. Box 942849
Sacramento, CA 94249-0041

**RE: Objection to Department of Housing and Community Development (HCD)
Determination on Regional Housing Needs Assessment, 6th Cycle**

Dear Assemblymember Holden,

The City of South Pasadena respectfully requests your assistance in objecting to the Department of Housing and Community Development (HCD) Regional Housing Needs Assessment (RHNA) determination. The City recently submitted a letter to the Southern California Association of Governments (SCAG) requesting SCAG to consider the following two recommendations prior to the adoption of the final RHNA allocations.

- 1. Incorporate Local Input in the RHNA Methodology:** The City recommends that SCAG amend the RHNA methodology to reinstate local input as a factor in the existing need. The City of Cerritos recently submitted a proposal dated February 4, 2020, which recommends that household growth forecasts be reintroduced back into the calculations for the existing need as follows: household growth (33.3%), job accessibility (33.3%), and population within high quality transit areas (33.3%). Government Code section 65584.01, subdivision (b)(1)(A), expressly makes “anticipated household growth associated with projected population increases” a factor in the determination. It is important because it takes into consideration the unique demographics of each jurisdiction. Moreover, these growth projections more closely align the RHNA with the development pattern established within Connect SoCal (Draft 2020 Regional Transportation Plan) as required by Government Code section 65584.01, subdivision (c)(1). Finally, as stated in the staff-recommended RHNA methodology staff report for the November 7, 2019, Regional Council meeting, the reintroduction of household growth into the existing need would further the five objectives of state housing law:

- Increase housing supply;
- Promote infill development and socioeconomic equity;

- Promoting an improved intraregional relationship between jobs and housing;
- Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category; and
- Affirmatively furthering fair housing.

2. **Contest the HCD Allocation to SCAG:** The City recommends that SCAG submit an objection to HCD regarding its failure to follow state law in reaching its regional determination. Government Code section 65584.01, subdivision (a), states, “The department’s determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments.” However, HCD appears to have based its decision on Governor Newsom’s campaign goal of building 3.5 million homes by 2025. Since then, even Governor Newsom has acknowledged such an objective is a “stretch goal” and that the state would soon be releasing a more pragmatic estimate of the housing needs by region. The Department of Finance recently updated its population projections to show a significant decrease since their previous forecast. The Southern California regional determination of 1.34 million housing units combined with an inequitable RHNA methodology are setting up local jurisdictions like South Pasadena for failure. Government Code section 65584.01, subdivision (c)(1), makes clear that “The region’s existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region” South Pasadena’s allocation of over 2,000 units is infeasible.

We request that you support the City’s recommendations to SCAG and HCD. We recognize there are time constraints established by state law. However, the RHNA will have significant impacts on jurisdictions over the next decade. Therefore, it is imperative that the RHNA be finalized in a way that is equitable and attainable in responding to the housing crisis.

Sincerely,



Robert S. Joe
Mayor of South Pasadena

cc: South Pasadena City Council
Stephanie DeWolfe, City Manager
Teresa L. Highsmith, City Attorney





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March 24, 2020

Anthony J. Portantino, Senator
25th Senate District
State Capitol, Room 3086
Sacramento, CA 95814

**RE: Objection to Department of Housing and Community Development (HCD)
Determination on Regional Housing Needs Assessment, 6th Cycle**

Dear Senator Portantino,

The City of South Pasadena respectfully requests your assistance in objecting to the Department of Housing and Community Development (HCD) Regional Housing Needs Assessment (RHNA) determination. The City recently submitted a letter to the Southern California Association of Governments (SCAG) requesting SCAG to consider the following two recommendations prior to the adoption of the final RHNA allocations.

- 1. Incorporate Local Input in the RHNA Methodology:** The City recommends that SCAG amend the RHNA methodology to reinstate local input as a factor in the existing need. The City of Cerritos recently submitted a proposal dated February 4, 2020, which recommends that household growth forecasts be reintroduced back into the calculations for the existing need as follows: household growth (33.3%), job accessibility (33.3%), and population within high quality transit areas (33.3%). Government Code section 65584.01, subdivision (b)(1)(A), expressly makes “anticipated household growth associated with projected population increases” a factor in the determination. It is important because it takes into consideration the unique demographics of each jurisdiction. Moreover, these growth projections more closely align the RHNA with the development pattern established within Connect SoCal (Draft 2020 Regional Transportation Plan) as required by Government Code section 65584.01, subdivision (c)(1). Finally, as stated in the staff-recommended RHNA methodology staff report for the November 7, 2019, Regional Council meeting, the reintroduction of household growth into the existing need would further the five objectives of state housing law:

- Increase housing supply;
- Promote infill development and socioeconomic equity;

- Promoting an improved intraregional relationship between jobs and housing;
- Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category; and
- Affirmatively furthering fair housing.

2. **Contest the HCD Allocation to SCAG:** The City recommends that SCAG submit an objection to HCD regarding its failure to follow state law in reaching its regional determination. Government Code section 65584.01, subdivision (a), states, “The department’s determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments.” However, HCD appears to have based its decision on Governor Newsom’s campaign goal of building 3.5 million homes by 2025. Since then, even Governor Newsom has acknowledged such an objective is a “stretch goal” and that the state would soon be releasing a more pragmatic estimate of the housing needs by region. The Department of Finance recently updated its population projections to show a significant decrease since their previous forecast. The Southern California regional determination of 1.34 million housing units combined with an inequitable RHNA methodology are setting up local jurisdictions like South Pasadena for failure. Government Code section 65584.01, subdivision (c)(1), makes clear that “The region’s existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region” South Pasadena’s allocation of over 2,000 units is infeasible.

We request that you support the City’s recommendations to SCAG and HCD. We recognize there are time constraints established by state law. However, the RHNA will have significant impacts on jurisdictions over the next decade. Therefore, it is imperative that the RHNA be finalized in a way that is equitable and attainable in responding to the housing crisis.

Sincerely,



Robert S. Joe
Mayor of South Pasadena

cc: South Pasadena City Council
Stephanie DeWolfe, City Manager
Teresa L. Highsmith, City Attorney



ATTACHMENT 3

Public Comments

(as of 10:00PM on July 17, 2020, additional public comments will received during the public comment period will be provided in an additional document)

Public Comments Received Regarding RHNA and Building Heights
(as of July 17, 2020 at 10:00PM)

1. Oliver Wang
2. Ron Rosen
3. Rachel Orfila
4. Andrew Nam
5. Steve Schneider
6. Nirav Desai
7. Dan Kanemoto
8. Lissa Grabow
9. Aileen Kelly

From: Oliver Wang [REDACTED]
Sent: Friday, July 17, 2020 12:14 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Height limits

Oliver Wang
[REDACTED]

South Pasadena homeowner since 2010

I'm a sociology professor with some familiarity on urban planning issues, especially as it relates to housing problems in California. Personally, I am in favor of amending existing height limits on building in the city as one way to create greater housing density/capacity in the region. While I don't think high density housing is a panacea to the crisis of housing affordability, it's one tool that should be available to long-term city planning. What I would heavily emphasize though is that any kind of multi-unit projects *must prioritize mandatory affordable housing inclusions*. Elsewhere in the county, developers have often been able to skirt those requirements and South Pasadena should not allow for any new high-density housing projects to move forward if it can't also guarantee that there will be substantial affordable housing set asides included within them. If changing height limits simply results in condos for the wealthy, I don't see the net good accomplished by that.

From: Ron Rosen [REDACTED]
Sent: Friday, July 17, 2020 12:05 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: July 21 Meeting : Housing Element: Height Limits

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ron Rosen
[REDACTED]

Housing Element: Height Limits

I oppose removing building height limits. I think there are a lot of things that need to be done before we do that. For one thing, I think the state has miscalculated our numbers. We need to push back against the overdevelopment of our town just as we pushed back against the freeway for 70 years. It's not right for the state to mandate changing the character of our small town. There are other ways to meet the state's housing needs. Perhaps the state can develop new towns in unpopulated areas. Perhaps at some point we just have to say, there's no more room here. We have a small town with limited space, why should we allow anyone to destroy its character. Some say that high density near transit is the wave of the future. But is high density really a good thing? I believe that psychological studies show that high density causes stress, anxiety, anger and other associated effects. How will we deal with more traffic, which is already a problem, and the need for more schools? We need to think of other ways for California to deal with housing. Destroying the character of South Pasadena is not the answer.

Ron Rosen

From: Rachel Orfila [REDACTED]
Sent: Friday, July 17, 2020 1:23 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Please put height limits on the ballot.

Dear City Council Members,

South Pasadena needs more affordable housing. According to your own statistics, more than 50% of units in South Pasadena are occupied by renters, and 43.8% of renters in South Pasadena are rent-burdened. This leads to instability in our community. I will offer a personal example: in the six years my family has lived in South Pasadena, three tenants in the unit next door have left because the rent was too high. All of them had children. When children cycle in and out of our schools, they not only lose friends but also fall behind academically. In our time here, my daughter has also lost beloved teachers who left because they could not afford housing anywhere near here.

Because land and construction costs are so high, in order to build enough affordable housing, we will need to rethink some of our zoning restrictions, including the height limit passed in 1983. Specifically, I don't think an apartment complex would be out of place on Fair Oaks. I love the Rialto and Fair Oaks Pharmacy, but Fair Oaks also has a lot of generic strip malls and fast food restaurants; I don't understand why an apartment building would be more unsightly than a McDonald's or Blaze Pizza. Please put the height limit issue on the ballot and let voters decide.

Finally, I don't understand why the city council is lobbying the state to reduce the affordable housing requirement. Given the statistics I cited above, we need at least that many units.

Thank you,
Rachel Orfila

From: Andrew Nam [REDACTED]
Sent: Friday, July 17, 2020 2:34 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Put Height Limits on the November Ballot

Dear Planning Commission,

I urge you to put building height limits on the ballot. There is a clear shortage of affordable housing in South Pasadena.

The city will not be able to meet the state RHNA mandate of 2,062 new units without increasing the height limit. The city should use its resources to facilitate building more housing, instead of wasting them in litigation against the state.

No one is asking for “a bunch of high-rise development.” The city only has to modify the current height limit to allow for building of enough units to comply with the state mandate.

It’s time for the city leaders to stop clinging on to this notion of “small-town community” and do what’s right for everyone, not just the homeowners.

Thank you,
Andrew Nam

From: Steve Schneider [REDACTED]
Sent: Friday, July 17, 2020 4:57 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Height Restrictions

Hello,

I am writing to voice my opposition to eliminating height restrictions for buildings in South Pasadena. We need the restrictions to remain in place to prevent overcrowding in our 2 square mile town. If high density housing is allowed to come in like it has in neighboring Pasadena, we will be facing myriad problems. The traffic through our town is already beyond maximum capacity all day long up and down Fair Oaks Ave. If height restrictions are removed and high rise condominiums and apartments are allowed to be built, we will be overwhelmed by the increase in population. Please allow the height restrictions to remain in place and do not change them. We want our town to remain livable for all.

Sincerely,

Carol and Steve Schneider

From: Nirav Desai [REDACTED]
Sent: Friday, July 17, 2020 5:01 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Height Limits

Hi

I live at [REDACTED], South Pasadena, CA 91030, along with my family.

I believe the height restrictions should not be changed without serious deliberation.

While I personally oppose increasing the height limits, if you must increase it, please mandate the buildings follow an architecturally pleasing style, like Art Deco for example.

The last thing we need is large sterile boxes ruining the city.

Thanks
Nirav

From: Daniel Kanemoto [REDACTED]
Sent: Friday, July 17, 2020 5:20 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Housing Element: Height Limits

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Planning Commission:

My name is Dan Kanemoto. My family moved to South Pasadena in 2013, and we plan to spend the rest of our lives in this wonderful town.

It's recently come to our attention that the Planning Commission is considering raising the building height limits, which is something that I oppose.

While we understand the need to follow the State's housing mandate, it's our belief that the Planning Commission must explore alternative solutions without raising building height limits. My wife and I have both lived in cities with no height limits, and we treasure South Pasadena for its unique small town feel.

Please do not repeal the voter imposed 45 foot height limit in our community.

Thank you very much for taking the time to read and consider this letter.

Dan Kanemoto

From: Lisa Grabow [REDACTED]
Sent: Friday, July 17, 2020 9:36 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Housing Element: Height Limits

My name is Lisa Grabow
address - [REDACTED]
South Pasadena, CA 91030

Dear Planning Commission -

Please vote against raising building height restrictions. Please vote against increased density in South Pasadena.

As a resident of this fine community since 2000, I have helped fight the 710, I've volunteered to get the community garden going, I've organized Read Across America at Arroyo Vista, I've volunteered in the classrooms and I've sat on the school site committee. I love this town and I beg you not to allow the height limit of buildings to exceed what exists currently.

I live in a single family home, but I am flanked by apartments. If you allow higher buildings, my property and so many others will be shadowed by unsightly walls. Go drive around Pasadena and Alhambra and see how these tall apartments or mixed use complexes have ruined the charm of neighborhoods. We moved here to live in "Mayberry", not Gotham!

The latest abomination is near Hill and Elizabeth Street - a school has been razed to make way for "International Student Housing". The charming bungalows nearby are shadowed; instead of looking across the street at a neighbor's bungalow, whoever is left will look across the street and see a stucco wall. The neighborhood will not sustain the increased traffic and population.

Alhambra's Plaza is hideous. We don't want to look like Orange County - keep the stucco urban boxes out of South Pasadena!

South Pasadena fought the State over the 710 and won. We can certainly fight the State over increased density - ESPECIALLY DURING A PANDEMIC. It is your unique opportunity to shut this silliness down. South Pasadena should argue that increased density is the worst possible plan for preventing the spread of infectious diseases. Look no further than lovely New York City - how can people avoid one another? Did you notice New York had the highest death rate due to increased density?

Higher buildings mean more cars on our streets, more people shoved onto the Gold Line (that is a sardine can during rush hour), more people crowding our parks that already have the playgrounds taped off, more kids in schools where there is no more room to build more classrooms, more kids playing Little League or AYSO where there isn't enough room on the fields to accommodate the teams we have. I know our police and fire personnel. With greater density, will our police and fire services be as effective? Unlikely.

Seriously - don't be tantalized by the sales tactics of the developers - there isn't any skin in the game for them - they can build ugly and walk away, leaving the residents to suffer. Remember the Decoma project - when they decided they wouldn't make enough money, they left... you see no one has the best interest of our community in mind. The State wants housing - there is vacant

land ALL OVER THIS STATE - they don't have to build it in South Pasadena. The State isn't going to bail our schools out when our school district has to factor (that's an expensive way to bring in cash by selling receivables) to pay teachers salaries at the beginning of the year because our student population increases. Our schools, our citizens will be responsible to fund this expansion.

South Pasadena is known for our schools, our homes, our charm and character - they are great because there is a community involved - SPEF, the PTA, South Pasadena Beautiful. Leave the city's density and height restrictions alone. It's an expensive gamble and I have yet to see a town like ours benefit from increased height or density.

Kindest regards,
Lisa Grabow

From: Aileen Kelly [REDACTED]
Sent: Friday, July 17, 2020 8:40 PM
To: PlanningComments <PlanningComments@southpasadenaca.gov>
Subject: Housing Element: Height Limits

To Whom it May Concern,

I support increasing housing density, especially affordable housing. If we need to remove the height limits to do that, then I support removing height limits.

Please don't let developers come in and build tall buildings full of homes for wealthy people and leave out affordable units.

Thank you for your time,

Aileen Kelly

--

Aileen Kelly
Co-founder
Persistiny
[REDACTED]