

December 12, 2022

Paul McDougall, Senior Program Manager  
Department of Housing and Community Development  
Division of Housing Policy Development  
2020 W. El Camino, Suite 500  
Sacramento, CA 95833

**Subject: City of South Pasadena Revised Draft 2021-2029 Housing Element;  
\*\*Submitted Pursuant to Government Code section 65754\*\***

Dear Mr. McDougall:

We are pleased to submit a fourth draft of the 2021-2029 South Pasadena Housing Element for review.

This draft is the second draft being submitted to the California Department of Housing and Community Development (HCD) pursuant to the review procedure set forth in Government Code section 65754, and based on the terms of the Stipulated Judgment and Settlement Agreement (the "Court Judgment") in the action captioned *Californians for Homeownership v. City of South Pasadena* (LASC Case No. 22STCP01388). Such action was brought against the City under Code of Civil Procedure section 1085 and section 65751 of Article 14 of Chapter 3 of Division 1 of Title 7 of the Government Code, alleging that the City failed to adopt its housing element within the time required by law prior to the October 15, 2021 deadline. The Court Judgment was approved by the Court on August 3, 2022.

Revisions have been made in response to the letter from HCD dated October 28, 2022, public comments received on the Third Public Draft, and public comments received by December 12, 2022 in response to the release and posting of the Fourth Public Draft on December 5, 2022. As I mentioned during our November 18<sup>th</sup> meeting, we appreciated HCD's clarity and directiveness in the October 28<sup>th</sup> letter.

The table below identifies each comment that has been addressed in the document.

<b>Commenter</b>	<b>Comment</b>	<b>Response</b>
HCD	<u>Suitability of Nonvacant Sites</u> : As found in the previous reviews, the element must include additional discussion of recent experience in redevelopment and either remove sites or include additional analysis of the extent existing uses impeded additional development. In response, the element removed and added several sites and added additional discussion of	A new subsection within Section 6.6.2, <i>Land Resources</i> , entitled <i>Suitability of Non-Vacant Sites</i> has been added to the Housing Element. This section describes recent land

Commenter	Comment	Response
	sites but must still demonstrate the existing uses and circumstances do not impede additional development, as follows:	use approvals for new developments on non-vacant sites. (Page 167)
HCD	Site 5 ( <i>Liquor Store Site</i> ): The element notes the age of the structure but should discuss other factors demonstrating the potential for redevelopment or remove the site. Other factors include existing versus allowable floor area and indicators the uses will likely discontinue such as lack of investment, past vacancy or turnover in use. The element should further discuss why the developer polling (Appendix B) deemed the site only somewhat likely to develop in the planning period.	Appendix A has been revised to more fully describe the existing commercial use on the site, and the potential uses under the proposed zoning. Additionally, Appendix A better explains the developer polling regarding this site. (Page A1-17)
HCD	Site 9 ( <i>Meridian Site</i> ): The element should discuss how the proposed regulatory framework encourages redevelopment, especially given height limits of three stories. The element could utilize input from the developer panel to assist in this analysis.	Appendix A has been revised to discuss how removal of the citywide height limit (Program 2.n) will encourage redevelopment of the site. (Page A1-21)
HCD	Site 16 ( <i>Pavilions Parking Lot</i> ): Although there is owner interest and it was polled highly by the development community, the element should discuss the impacts of parking for the existing use on the feasibility of development, including plans for replacement parking and parking needs during construction.	Appendix A has been revised to include additional information regarding the intent of the property owner, as well as information regarding parking for existing uses during and after construction. (Page A1-28)
HCD	Site 17 ( <i>Office Building and Parking Lot</i> ): The element notes there is an existing lease on the property but should discuss the length of that lease and whether that impedes additional development in the planning period. The element could utilize input from the developer panel to assist in this analysis.	Appendix A has been revised to include additional information regarding the existing leases on the site. (Page A1-29)
HCD	<u>City-Owned Sites</u> : While the element now includes information on compliance with the Surplus Land Act, it should still discuss whether existing uses impede additional development and any known conditions that preclude development in the planning period. For Site 8	Appendix A has been revised to include additional information regarding the possible environmental constraints on Site 8

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	(Public Works Yard), the element should discuss the impacts of the underground gasoline tank and filling station and soil contamination on the timing and cost of development in the planning period. For Site 13 (City-Owned Parking Lot), the element should discuss the timing of the short-term lease and impacts on the timing of development in the planning period.	(Public Works Yard) (page A1-20) and additional information regarding the existing month-to-month lease on Site 13 (City-Owned Parking Lot) (Page A1-25)
HCD	<u>Environmental Constraints</u> : While the element now removes several sites, it should still discuss whether there are any other known constraints (e.g., shape, access) that impede development on identified sites in the planning period.	Each identified site listed in Appendix A has been updated with a notation on any known environmental constraints. (Pages A1-13 through A1-29)
HCD	Program 3.b ( <i>Mixed Use Development</i> ): The Program should be revised based on the outcomes of a complete analysis. In addition, while the element includes actions to engage with property owners and developers, it should include specific commitment to go beyond “consider reducing” parking requirements and also establish incentives (beyond state density bonus law) by a specified date such as increased density, relaxation of development standards, fee reductions and expedited permit processing.	Program 3.b was revised to commit to remove parking requirements along high quality transit corridors. (Page 19) Additionally, Program 3.n was revised to commit to revising development standards so that they reduce constraints on development within 120 days after adoption of the Housing Element. (Page 17 and 231)
HCD	Program 3.o ( <i>No Net Loss</i> ): The Program should commit to evaluate the effectiveness of identified sites at least once in the planning period (e.g., 2024) and make adjustment as necessary such as increasing densities, modifying development standards, removing sites and rezoning additional sites.	Program 3.o was revised to commit to evaluate the effectiveness of identified sites and to make necessary adjustments in 2024 and 2026. (Pages 26 and 240)
HCD	Program 2.m ( <i>Update Inclusionary Housing Regulations</i> ): The Program should commit to engage and incorporate comments from the development community (including smaller developers and property owners) as part of the feasibility analysis and make adjustments as	Program 2.m was revised to commit to a mid-cycle evaluation of the City’s inclusionary housing regulations in terms of constraints on

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	<p>appropriate. In addition, while the element includes Program 2.i (Inclusionary Housing Regulations) to monitor affordability from the inclusionary requirement, Programs 2.i or 2.m should commit to a mid-term evaluation of inclusionary regulations in terms of constraints on development and make adjustments as necessary by a specified date.</p>	<p>development and to make necessary adjustments no later than December 31, 2025. (Pages 16 and 228)</p>
HCD	<p>Program 2.n (<i>Citywide Height Limit Ballot Initiative</i>): The Program should be revised with specific commitment to actual outcomes with a beneficial impact in the planning period. For example, the Program should go beyond working to facilitate densities higher than 45 feet and should make a commitment to target at least a minimum height and number of stories to address constraints and encourage maximum densities. In addition, the Program should go beyond evaluating options for exceptions and establish exception processes by a specified date. Finally, the Program should make a specific commitment to establish alternative actions toward outcomes by a specified date (e.g., rezone additional sites by October 2024) and consider dates earlier in the planning period.</p>	<p>Program 2.n was revised to specify that any new height limit to be proposed in the Downtown Specific Plan Area, and other limited areas of the City to achieve higher density being called for under the Housing Element, would be no less than 60 feet and/or 6 stories. (Pages 16 and 229)</p>
HCD	<p>Program 3.n (<i>Zoning Changes</i>): The Program notes the types of standards that need revising (e.g., heights, open space, parking and design review findings) but should specifically commit to revise and reduce or modify the development standards and approval findings and ensure the changes will not constrain development. For example, the Program should specifically commit to remove subjective approval findings or limit the findings to objective design and development standards that promote approval certainty and do not constrain development.</p>	<p>Program 3.n was revised to commit to reducing development constraints through planned zoning code changes, including reference to those items noted in this comment. (Pages 25 and 239)</p>
HCD	<p>While the element modifies several programs to affirmatively further fair housing (AFFH), it should include specific commitment and additional actions to improve housing mobility and increase new housing choices and affordability in higher resource or income areas (not limited to the RHNA) throughout the City. For example, the</p>	<p>Program 3.m was revised to commit to implementing provisions of SB 10 that may be applied in order to address segregated living patterns and</p>

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	<p>element could add programs for affirmative marketing and utilization of regional rental registries, homesharing, accessory dwelling units (ADUs) or conversion of existing space beyond ADU law. Also, the element should modify Program 3.m (Implement SB 9 and SB 10) to go beyond exploring SB 10 and adopting “feasible” amendments and instead commit to amendments that affirmatively implement (without constraints) and go beyond the statutory requirements such as commitment to allowing missing middle housing types in residential zones.</p>	<p>create balanced living patterns that affirmatively further fair housing. (Pages 25 and 239)</p>
HCD	<p>Previous reviews found the element could consider conservation objectives beyond 5 units in the planning period. In response, the City adjusted its target to 20 units and did not increase objectives in this most recent revised draft. HCD encourages the City to target a higher impact for the eight year planning period. For example, the element could include anticipated outcomes from Program 1.b (Convert CalTrans Homes to Affordable Housing).</p>	<p>Program 1.b was revised to update information on the City’s process and commitment to preserving and rehabilitating the Caltrans homes located in the City (Pages 5 and 218). The City’s quantified objective for preservation of units was increased to 41 in Tables VI-1 and VI-56 (Pages 4 and 247).</p>

In addition to the revisions based on comments received from HCD, additional revisions have been made to address public comments as documented in Appendix B. Additionally, further revisions to the Housing Element have been made to reflect changing conditions since the prior draft. These revisions include:

- Updated information regarding unhoused persons based on the Greater Los Angeles Homeless Count conducted by the Los Angeles Homeless Services Authority (LAHSA) in February 2022 (Pages 57 and 95); and
- Added information regarding the public outreach conducted since the beginning of 2022 (Pages 73, 75, B1-13, and B1-32).

Three different versions of the document are being provided for your review: a clean version, a redlined version from the third draft, and a redlined version that shows all revisions since the initial review draft was submitted to HCD.

On December 5, 2022, 7 days before submitting this fourth draft revision to HCD, the City released and posted the revised draft on its Housing Element Update web page<sup>1</sup> and emailed a link to all individuals and organizations that have previously requested notices relating to the City's housing element, though no requirement exists under Article 14 of Chapter 3 of Division 1 of Title 7 of the Government Code (section 65750, *et seq.*) for posting prior to submission to HCD.

The City of South Pasadena is committed to working with the California Department of Housing and Community Development to ensure that this Housing Element obtains certification pursuant to the Court Judgment, to maintain eligibility for grant funding programs, to ensure the legal adequacy of the General Plan, and to preserve local control of land use decisions. As demonstrated in the Housing Development Resources and Housing Plan and Quantified Objectives sections of the Housing Element, the City has land zoned for housing units and is proposing rezoning of additional land to meet the needs of residents at all income levels.

We look forward to hearing from you as soon as possible. Please do not hesitate to contact Angelica Frausto-Lupo, Community Development Director ([afraustolupo@southpasadenaca.gov](mailto:afraustolupo@southpasadenaca.gov)) or me at (714) 323-5731/ [grant@mobius-planning.com](mailto:grant@mobius-planning.com) with any questions regarding the draft.

Sincerely,

**Mobius Planning**



Grant Henninger  
Founding Principal

Cc:

Angelica Frausto-Lupo, Community Development Director, City of South Pasadena  
Andrew L. Jared, City Attorney

Attached:

1. City of South Pasadena Fourth Draft 2021-2029 Housing Element
2. City of South Pasadena Fourth Draft 2021-2029 Housing Element – Tracked Version from Third Draft
3. City of South Pasadena Fourth Draft 2021-2029 Housing Element – Tracked Version from First Draft

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<sup>1</sup> The South Pasadena Housing Element Update website is located at <https://www.southpasadenaca.gov/government/departments/planning-and-building/housing-element-update-2021-2029>