

Tonight's Agenda (6:30-8:00)

- 1. The Housing Element: State mandates for implementation and annual reporting
- 2. The RHNA How this target drives the policies and sites inventory in the Housing Element?
- 3. Development of the Sites Inventory and ADU Projections
- 4. The 38 Housing Element Programs: How they were developed and why they are included
- 5. Complying with State Housing Element laws: the effect of AB1398 (signed on 9/28/21) on the preparation process
- 6. Next Steps and Review of the Schedule
- 7. Q&A and Comments

Outreach for tonight's meeting

- > Latest information always available on the dedicated Housing Element Update web page
 - https://www.southpasadenaca.gov/government/departments/planning-and-building/housing-element-update-2021-2029
- > Press Release (10/12/21); posted on City homepage.
- South Pasadena Review: advertised 10/15/2021
- City email list: multiple notifications
 - > Sign up to receive emails at the project page:
- ➤ Announced at 10/12 Planning Commission Meeting
- ➤ Included in the City's October e-newsletter

October 2021

New State Housing Unit Set to Enforce Local Housing Mandates

"A housing element is no longer a paper exercise – it's a contract with the state of housing commitments for eight years, and the Housing Accountability Unit will hold jurisdictions to those commitments," said Megan Kirkeby, deputy director for

in addition to the fees
paid to its own attorneys.
Potential consequences of
lawsuits include: mandatory
compliance within 120 days, suspension of local control on
building matters, and court approval of housing developments.

Loss of Permitting Authority: Courts have

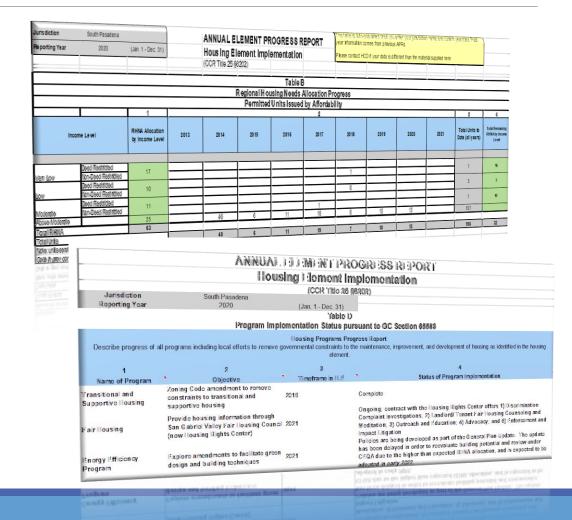
The Housing Element:

A PLAN FOR IMPLEMENTATION AND ANNUAL REPORTING



Housing Element Annual Progress Report

- ☐ APR: Tool for transparent monitoring of progress on housing element programs and housing unit construction.
- ☐ Increasingly used by HCD to determine whether City is complying with its housing policies needed for RHNA
- Now there are more consequences if annual reports indicate that housing, including affordable housing, is not being built.



The Regional Housing Needs Allocation (RHNA)

DETERMINATION OF REGIONAL FAIR SHARE OF HOUSING DEVELOPMENT AND HOW THAT SHAPES THE PLAN

South Pasadena's RHNA

- ⇒ Adopted by SCAG on March 3, 2021; Final RHNA certified by HCD
- ⇒ Represents more than 32X the previous RHNA for current housing element (63 units)
- ⇒ 72% for households from extremely/very low to moderate income.

Table VI-15 SOUTH PASADENA REGIONAL HOUSING NEEDS ASSESSMENT 2021-2029

INCOME GROUP	NUMBER OF NEW UNITS	PERCENTAGE		
Very Low Income	757	37%		
Low Income	398	19%		
Moderate Income	334	16%		
Above-Moderate Income	578	28%		
Total	2,067	100%		

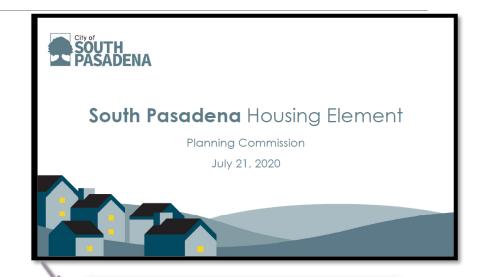
Source: SCAG RHNA, Adopted March 3, 2021

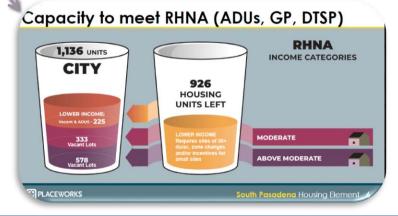
Development of the Sites Inventory and ADU Projections

GETTING TO 2067 UNITS: METHODOLOGY USING SITES ANALYSIS, DATA, AND OUTREACH

Presentation to Planning Commission on July 21, 2020

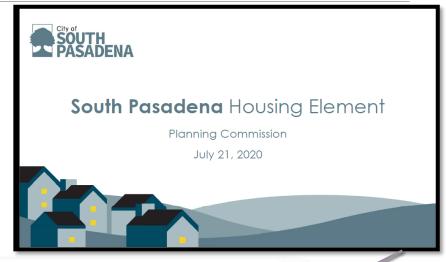
- Suitably zoned vacant parcels and ADUs were identified,
 but shortfall of 926 lower income units remained.
- Discussed challenge to identify sites for lower income housing units based on State law:
 - Sites accommodating lower income RHNA must allow 30 du/ac or greater
 - If more than half of total lower income RHNA (578 units) are accommodated on non-vacant sites, additional information must be included and findings must be made
 - If sites smaller than 0.5 acres or larger than 10 acres are relied on for lower-income RHNA, additional analysis/evidence and incentives must be provided
 - Exclude sites where property owner confirms no interest in redevelopment.
 - Exclude sites with excessive geological/physical constraints





Presentation to Planning Commission on July 21, 2020

- Non-vacant candidate sites explored resulting in identifying additional sites
 - Sites on non-residential land outside of Downtown, such as the Ostrich Farm, Monterey Road site
 - Property owners contacted with some expressing interest. Sites eliminated if owners stated they were not interested in developing.
 - Density: variable as needed to reach target capacity



*Updated 7/21,

Strongest Non-Vacant Candidate Sites

- 740 units, half of which (~370) can be assumed for Low Income RHNA
 - 32 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

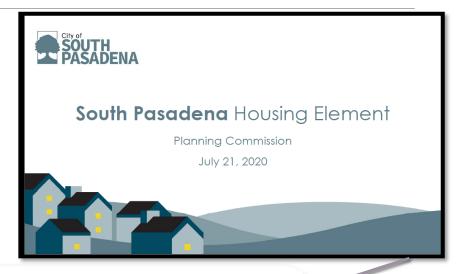
*50 du/ac for DTSP recommended by the Planning Commission in May 2020. Published Draft DTSP shows 30 du/ac

PLACEWORKS

South Pasadena Housing Element

Explored and Rejected for Meeting Lower Income RHNA

- Sites smaller than .5 acres without potential for parcel assemblage in Downtown and Neighborhood Centers
- Internal conversion of existing homes
- Ballot measure to increase allowed height above 45' in some or all of City
- Additional sites where affordable housing overlay is proposed to apply
- Other vacant sites larger than .5 acres
- Upzoning of non-vacant residential parcels outside Downtown and Neighborhood Centers
- Substantial Rehabilitation, Conversion, and Preservation



Remaining RHNA to Address: 926 units

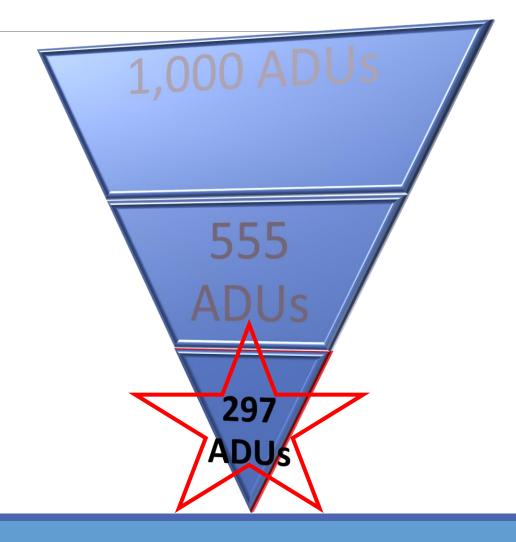
- Ways to Address Remaining RHNA (Updated 7/18/20)
 - Redevelop Underutilized Lots in Downtown and Neighborhood Centers (~370 units)
 - Rezone Non-Residential for Multi-Family buildings (~100 units)
 - (Fremont, Monterey Road)
 - Rezone Open Space for Multi-Family buildings (~475 units)
 - (Arroyo Seco, 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

PLACEWORKS

South Pasadena Housing Element

Assessing ADU potential

- Early analysis proposed 1,000 ADUs
- November 2020: Based on HCD's published direction for projecting ADUs and SCAG's affordability formula – 555 ADUs projected
- May 2021: Revised projected ADU number following HCD informal courtesy review – 297 ADUs.
 - Data from city building permits in 2021 support a higher number than 297
 - Higher than HCD "safe harbor" (94) is based on commitment to programs to increase ADUs including revised ordinance and actual 2020-2021 permits
 - Appendix E (Public Review Draft): Support for determination and methodology as requested by HCD



Sites Inventory — Final composition to comply with RHNA

ABOVE MODERATE:

- Vacant sites already-zoned for lower density for moderate and above moderate
- Mostly non-vacant sites in Downtown and Neighborhood Centers – rezoning in GP/DTSP
- 88 ADUs

LOWER AND MODERATE:

- Mostly non-vacant (and some vacant) sites in Downtown and Neighborhood Centers – rezoning in GP/DTSP
 - Densities proposed on these sites range from 30-70 du/ac
- Affordable Housing Overlay allowing 30 du/ac
- 209 ADUs, based on SCAG affordability formula

UNITS APPROVED SINCE 6/30/2021:

 Allowed to be included: 15 so far; will be updated for final Housing Element

Table VI-47 COMPARISON OF SITE CAPACITY AND RHNA

INCOME GROUP	TOTAL RHNA	UNITS APPROVED SINCE 6/30/21	ADUS WITH APPROVED BUILDING PERMITS SINCE 6/30/21	PROJECTED ACCESSORY DWELLING UNITS	UNITS ON VACANT AND NON- VACANT SITES WITH SUITABLE ZONING	UNITS ON VACANT SITES NEEDING ZONING CHANGES	UNITS ON NON- VACANT SITES NEEDING ZONING CHANGES	SURPLUS RHNA
Extremely Low	757	0	2	45	0	70	886	13
Very Low		0	1	27				
Low	398	0	6	131				
Moderate	334	0	0	6	40	0	384	96
Above Moderate	578	2	4	88	238	0	426	180
TOTAL	2,067	2	13	297	278	70	1,696	

Note: The income levels assigned to the ADUs approved since June 30, 2021 are based on the SCAG ADU affordability analysis.

Housing Plan, Draft Programs

HOW PROGRAMS WERE DERIVED AND DEVELOPED

6.8 Housing Plan

GOALS, POLICIES AND PROGRAMS TO GUIDE HOUSING DEVELOPMENT

- •How many programs are there?
 - Goal 1 5
 - Goal 2 12
 - Goal 3 13
 - Goal 4 6
 - Goal 5 2
 - TOTAL: 38

APR will report progress on each program ("Table D") as well as number of housing entitlements approved and permits issued.

The Goals

- 1. Conserve the Existing Housing Stock and Maintain Standards of Livability
- 2. Encourage and Assist in the Provision of Affordable Housing
- 3. Provide Opportunities to Increase Housing Production
- 4. Compliance with State Housing Laws
- 5. Promote Fair Housing while Acknowledging the Consequences of Past Discriminatory Housing Practices

Structure of a Housing Program

Program Name

Description

Objective during Housing Element Cycle

Funding for Program

Implementation responsibility

Implementation timing

Program 1.a - Energy Efficiency

The City will continue to implement Title 24 of the California Code of Regulations on all new development and will continue to ensure that local building codes are consistent with State-mandated or recommended green building standards. The City will also continue to encourage retrofitting existing housing units with innovative energy conservation techniques, such as active and passive solar systems, insulation, orientation, and project layout in an endeavor to further reduce dependence on outside energy sources. The City will make handouts and literature available to the public outlining measures that they can take to reduce energy use and programs available to residents, including San Gabriel Valley Energy Wise Partnership, SoCalGas and Southern California Edison programs.

Eight-year Objective: Ensure consistency with State green building standards triennially when the California Building Code is adopted.

Funding Source: General Fund; grants

Responsible Agency: City Manager's Office

Timeframe: Every three years; next building code adoption expected in 2023.

Developing Housing Programs

HOW WERE THESE PROGRAMS DERIVED?

- ➤ Appropriate to continue from current housing element
- > Required by State housing law to be included
- ➤ Based on **HCD** Review, programs deemed necessary to achieve the RHNA
- Local input/**Staff-initiated** to address City needs to improve housing permit processes



Programs Carried Over from Current Housing Element

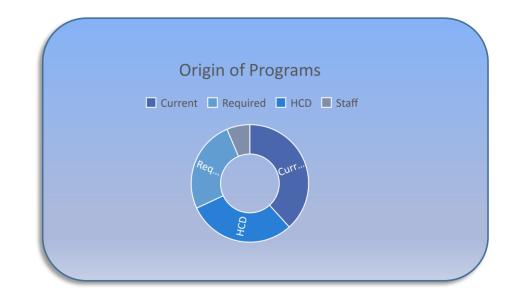
- 1.a Energy Efficiency
- 1.b Housing Acquisition
- 1.c Housing Rehabilitation and Code Enforcement
- 2.a Planning Technical Assistance and Permit Processing
- 2.c CalHome Program
- 2.d Section 8 Housing Choice Voucher Program for Rental Assistance
- 2.e Facilitate Density Bonus for Projects with On-site Affordable Housing
- 2.f Offer Services to People without Housing
- 2.g Expand Senior Housing
- 3.a Rezone and Redesignate Sites to Meet RHNA
- 3.b Mixed-Use Developments and Adaptive Re-Use
- 3.f Allow and Facilitate ADUs
- 4.a Land Use Controls Emergency Shelters
- 4.b Land Use Controls Transitional and Supportive Housing/Low-Barrier Navigation Centers
- 4.c Land Use Controls Flexible Zoning Regulations
- 4.d ADA Accessibility Standards
- 4.e Universal Design
- 5.a Fair Housing Education, Outreach, and Services



Programs Required to be Included

- 1.a Energy Efficiency
- 1.d Assisted Housing Unit Preservation
- 1.e Environmental Health
- 2.h Incentivize Special-Needs Housing
- 2.i Inclusionary Housing Regulations Monitor for Effectiveness
- 3.c Replacement of lost units from Residential Demolitions
- 4.a Land Use Controls Emergency Shelters
- 4.b Land Use Controls Transitional and Supportive Housing/Low-Barrier Navigation Centers
- 4.c Land Use Controls Flexible Zoning Regulations
- 4.d ADA Accessibility Standards
- 4.f Senate Bill 35 Procedure or Policy
- 5.a Fair Housing Education, Outreach, and Services

Purple: Required programs already included in current housing element



Programs Requested by HCD Review Staff

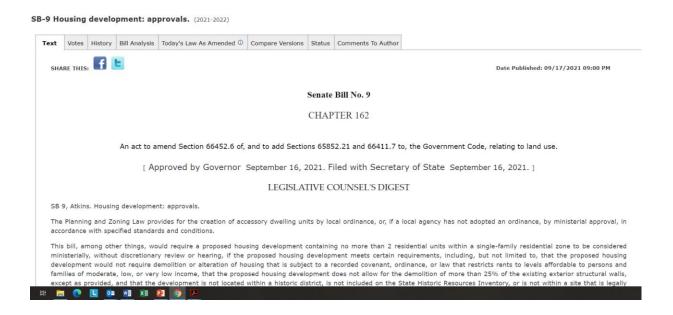
- 1.b Housing Acquisition
- 2.b Affordable Housing Production
- 2.i Inclusionary Housing Regulations Monitor for Effectiveness
- 2.j General Plan Affordable Housing Overlay
- 2.k Affordable Housing Overlay Zone
- 2.1 Facilitate Affordable Housing on City-Owned Property
- 3.c Replacement of lost units from Residential Demolitions
- 3.d Enable Parcel Assemblage
- 3.g Monitor ADU Production
- 3.h Back-up to Address Shortfall in Anticipated ADUs
- 3.i ADU Amnesty Program
- 3.j Adjust ADU Permit, Utility Connection, and Impact Fees
- 3.k ADU Education, Promotion and Homeowner Outreach
- 5.b Encourage a Variety of Housing Types

HCD request for programs to support ADU construction/conversion



Programs Proposed by City Staff to Improve Processes

- 3.e Develop an Electronic Permitting System
- 3.1 Increase and Maintain Planning and Housing Staff Resources
- 3.m Implement SB 9 and SB 10





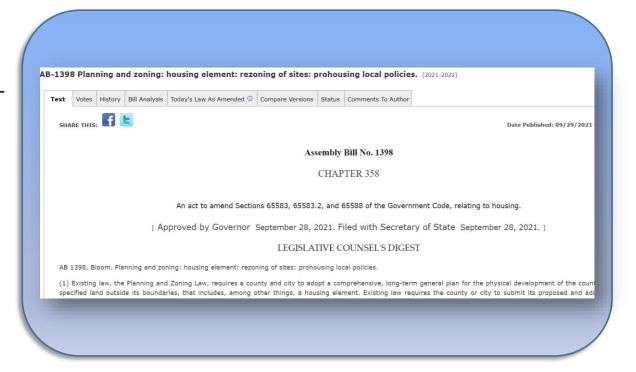
Complying with State Housing Element Law

THE EFFECTS OF AB1398 (SIGNED 9/28/21) ON THE ADOPTION PROCESS AND IMPLEMENTATION TIMELINE FOR THE HOUSING ELEMENT

How AB1398 Changes the Trajectory

REQUIRES ALL ZONING FOR RHNA WITHIN ONE YEAR OF STATUTORY HE DEADLINE (OCTOBER 15, 2021, FOR SCAG REGION) UNLESS A COMPLIANT HOUSING ELEMENT IS ADOPTED BY FEBRUARY 11, 2022

- "Compliant" means that HCD agrees to certify the housing element as meeting the requirements of State law.
- February 11 date to adopt housing element for an eight-year timeframe is no longer relevant.
- HCD has not yet released any guidance.
- City staff weighing options for schedule revisions to focus on assuring that HCD will certify the adopted draft.



Next Steps

SCHEDULE FOR REVIEW AND FINAL DRAFT

Public Review Draft Schedule

- October 12, 2021: Public Review Draft Released and Planning Commission Kick-Off
- **TONIGHT**: Community Meeting for Comments and Questions
- Tuesday, November 9: Planning Commission Meeting for input and direction
- Wednesday, November 17: Council Meeting for input and direction
 - E-mail written comments by December 6: to housingelement@southpasadenaca.gov
- Final Draft Preparation
 - Public Review draft to be sent to HCD tomorrow (10/22); to be reviewed within 60 days (12/21)
 - Draft will be revised to incorporate HCD Review and public/Council/Commissioner comments



Goal 1: Conserve the Existing Housing Stock and Maintain Standards of Livability

- 1.a Energy Efficiency
 - Objective: Ensure consistency with State green building standards triennially when the California Building Code is adopted.
- 1.b − Housing Acquisition
 - Objective: Complete the feasibility study and use the recommendations to support and provide technical assistance to non-profit affordable housing developers pursuing acquisition and rehabilitation as affordable housing of any Caltrans-declared surplus properties in the 710 surface route corridor.
- 1.c Housing Rehabilitation and Code Enforcement
 - Objective: Correction of all identified Code violations; 40 units rehabilitated based on funding sources
- 1.d Assisted Housing Unit Preservation
 - Objective: Preserve at least five units and any additional units that are subject to this program. Ensure communication with property owners, particularly when ownership changes.
- 1.e Environmental Health
 - Objective: Preserve

Goal 2: Encourage and Assist in the Provision of Affordable Housing

- 2.a Provide Technical Assistance for Developments with Affordable Housing
 - Objective: Facilitate timely review of development proposals that include affordable housing and continue to provide Zoning Code information to developers of affordable housing regarding special permit provisions and the potential for the granting of density bonuses and incentives and/or concessions to qualifying affordable housing projects. The City's objective is to assist in the provision of 100 housing units across all income levels during the 2021-2029 planning period. Update materials by June 2023.
- 2.b Affordable Housing Production
 - Objective: Fund and build affordable units.
- ∘ 2.c CalHome Program
 - Objective: Provide information to low- and very low-income households for funding within the timetables established by the California Department of Housing and Community Development (HCD) funding when funding is made available to the City. The City's objective is to provide information to households whenever possible for a minimum of five low-income and five very low-income households to receive assistance during the 2021-2029 planning period.
- 2.d Section 8 Housing Choice Voucher Program for Rental Assistance
 - Objective: Continue to assist eligible South Pasadena renters with housing subsidy payments through the HCV program by assisting their access to the LA County Development Authority.

Goal 2: Encourage and Assist in the Provision of Affordable Housing (cont'd)

- 2.e Facilitate Density Bonus for Projects with On-site Affordable Housing
 - Objective: Approve housing/mixed-use projects that include density bonuses along with on-site affordable housing units to support maximum unit capacity for RHNA implementation
- 2.f Offer Services to People without Housing
 - Objective: Assist the Police Department to refer individuals without housing to emergency shelters as appropriate and
 continue to evaluate the possibility of entering into participation agreements with other cities or entities that provide emergency
 shelter programs.
- 2.g Expand Senior Housing
 - Objective: Develop more senior housing types, both market-rate and affordable, in accessible locations that offer choices to aging South Pasadena residents to allow them to remain in their community.
- 2.h Incentivize Special-Needs Housing
 - Objective: Assist with creation of 30 units for those with special needs.

Goal 2: Encourage and Assist in the Provision of Affordable Housing (cont'd)

- 2.i Inclusionary Housing Regulations Monitor for Effectiveness
 - Objective: Produce affordable units as part of residential and mixed-use projects with three or more market-rate residential units..
- 2.j General Plan Affordable Housing Overlay
 - Objective: Develop at least 30 units of affordable housing during the planning period on sites where the Affordable Housing Overlay is applied.
- 2.k Affordable Housing Overlay Zone
 - Objective: Develop at least 30 units of affordable housing during the planning period on sites where the Affordable Housing Overlay is applied.
- 2.l Facilitate Affordable Housing on City-Owned Property
 - Objective: Encourage development of at least 60 units of affordable housing during the planning period on sites owned by the City.

- 3.a Rezone and Redesignate Sites to Meet RHNA
 - Objective: Rezone sufficient sites to address 884 units (29.5 acres) in the lower-income RHNA categories.
- 3.b Mixed-Use Developments and Adaptive Re-Use
 - Objective: Increased production of housing units on properties located within the City's commercial districts through the
 mixed-use development provisions of the Zoning Code and on vacant and reused properties in the Downtown Specific Plan area.
 Reduced time to process permits for mixed-use projects that include affordable housing and increased applicant understanding of
 the streamlined state density bonus, planned development permit and affordable housing incentive provisions of the Zoning Code
 to maximize the potential for a project to include affordable housing.
- 3.c Replacement of Lost Units from Residential Demolitions
 - Objective: Identify affected demolition proposals based on maintaining an inventory of affordable units and require replacement housing in compliance with State law.

- 3.d Enable Parcel Assemblage
 - Objective: Approval of more applications to merge parcels that result in feasible sites for multifamily housing during the planning period.
- 3.e Develop an Electronic Permitting System
 - Objective: All planning and building permits will be recorded in an electronic permit system with capability to provide data needed to analyze and report housing production including affordable housing units.
- 3.f Allow and Facilitate ADUs
 - Objective: Maintain updated ADU regulations to promote development of an increasing number of ADUs year-over-year; issue permits for all legal ADU's, anticipated to be between 297 and 368 ADUs during the 2021-2029 projection period.

- 3.g Monitor ADU Production
 - Objective: Approve 297 ADUs between 2021 and 2029.
- 3.h Back-up to Address Shortfall in Anticipated ADUs
 - Objective: Address lower-income RHNA if ADU numbers aren't as high as projected.
- 3.i ADU Amnesty Program
 - Objective: Convert all known existing unpermitted accessory dwellings to compliant ADUs, unless infeasible.
- 3.j Adjust ADU Permit, Utility Connection, and Impact Fees
 - Objective: Evaluate fee waivers as part of an economic study for developing an affordable housing program and act upon recommendations, as appropriate.

- 3.k ADU Education, Promotion and Homeowner Outreach
 - Objective: Facilitate the process of ADU development through promotion of City programs and connecting ADU owners to resources.
- 3.l Increase and Maintain Planning and Housing Staff Resources
 - Objective: Augment and support staff resources to expedite housing projects and implement housing programs.
- ∘ 3.m Implement SB9 and SB10
 - Objective: Develop a process, materials and objective standards to accommodate all interested applicants on single-family properties; explore potential zoning code amendments pursuant to SB10.

Goal 4: Compliance with State Laws

- 4.a Land Use Controls Emergency Shelters
 - **Objective:** The City will adopt an amendment to the Zoning Code to delete language establishing buffer distance requirements between an emergency shelter and any public park, school, or residential use and to establish the maximum number of beds permitted in any one emergency shelter at 16 beds.
 - Funding Source:
- 4.b Land Use Controls Transitional and Supportive Housing/Low-Barrier Navigation Centers
 - **Objective:** The City will adopt an amendment to the Zoning Code within 24 months following approval of the Housing Element for consistency with SB 2 and AB 2162. Revise the Zoning Code to define and specifically reference low-barrier navigation centers as a permitted use in residential and mixed-use districts..
- 4.c Land Use Controls Flexible Zoning Regulations
 - **Objective:** The City will continue the application of flexible zoning regulations to promote the development of affordable housing through the planned development permit process, as provided for in the Zoning Code.

Goal 4: Compliance with State Laws (cont'd)

4.d - ADA Accessibility Standards

- Objective: Ensure that new mixed-use and medium- to large-scale residential projects are ADA compliant, provide an adequate number of units that allow for disabled access, with all new buildings of more than six units being ADA compliant and no less than 10 percent of new units being immediately accessible to disabled individuals.
- 4.e Universal Design
 - Objective: Maximize, to the extent feasible, the number of new or rehabilitated homes that incorporate universal design
 principles that make units accessible to/adaptable for those with disabilities, with a goal of 30 percent of new homes incorporating
 universal design.
- 4.f Senate Bill 35 Procedure or Policy
 - Objective: Streamline housing projects as required by SB35.

Goal 5: Promote Fair Housing while Acknowledging the Consequences of Past Discriminatory Housing Practices

- 5.a Fair Housing Education, Outreach and Services
 - Objective: Reduce Fair Housing complaints; respond to complaints within 5 working days;
 achieve resolution within 3 months for all complaints
- 5.b Encourage a Variety of Housing Types
 - Objective: New housing includes diverse housing types, in terms of unit size and number of bedrooms, rental/sale, residential care facilities