

Notice of Preparation of an Environmental Assessment

DATE:	May 2, 2023
TO:	Responsible and Trustee Agencies; Other Interested Parties
FROM:	City of South Pasadena 1414 Mission Street South Pasadena, CA 91030
SUBJECT:	Notice of Preparation of an Environmental Assessment for the South Pasadena 2021–2029 Housing Element

Pursuant to Section 65759(a)(2) of the Government Code, the City of South Pasadena (City) has prepared this Notice of Preparation (NOP) of an Environmental Assessment (EA) for the City of South Pasadena 2021–2029 Housing Element. This NOP shall be included with all notices provided by the City related to documentation and actions proposed to comply with the *Stipulated Judgement (Californians For Homeownership V. City of South Pasadena, LASC Care Nos. 22STCP01388 & 22STCP01161*). The content of this NOP has been prepared in substantial conformance to Section 15082(a) of Title 14 of the California Code of Regulations (State of California Environmental Quality Act [CEQA] Guidelines).

This NOP and EA are based on environmental analysis of both the residential development capacity identified in the 2021–2029 Housing Element and the non-residential development capacity identified in the General Plan and DTSP Update still in progress (referred to as the Project herein).

Project Location

The City is located on the western edge of the San Gabriel Valley area of Los Angeles County, approximately five miles northeast of downtown Los Angeles. The planning area for the Project includes the approximately 3.5 square miles, or 2,272 acres, within the incorporated City limits. The Project applies to all properties within the planning area. The City is surrounded by several municipalities, including the City of Pasadena to the north; the City of San Marino to the east; the City of Alhambra to the south; the City of Los Angeles to the southwest; and unincorporated County of Los Angeles communities, including Garvanza and Highland Park, to the west.

Regional access to the City is provided predominantly by State Route 110 (SR 110, Arroyo Seco Parkway), which transects the City. Interstate 210 (I 210) and SR 134 also provide regional access, with the nearest ramps for both freeways located approximately one mile north of the northern City boundary. The Metro L Line also provides light rail access from the City's Mission/Meridian Station to downtown Los Angeles, the City of Pasadena, and the northern San Gabriel Valley. The City's location and regional setting and primary transportation corridors are shown on Exhibit 1, Regional and Local Vicinity.

Project Background

All California jurisdictions are required by State law (Section 65300 of Government Code) to prepare and maintain a planning document called a General Plan. The City of South Pasadena last comprehensively updated the General Plan in 1998, and the Mission Street Specific Plan (now referred to as the Downtown Specific Plan [DTSP]) was adopted in 1996. Since the adoption of the 1998 General Plan, several minor amendments have been adopted.

The Housing Element is one of the State-mandated elements of a General Plan. It identifies the City's housing conditions, needs, and opportunities and establishes the goals, policies, and

actions (programs) that are the foundation of the City's housing strategy. However, unlike all other General Plan elements, State law requires each municipality to update its Housing Element on a prescribed schedule (most commonly every eight years). The City's 2013–2021 Housing Element was in effect through 2021. Housing needs are determined by the California Housing and Community Development Department (HCD), which allocates numerical housing targets to the Metropolitan Planning Organizations (MPOs), including the Southern California Association of Governments (SCAG), which includes the City of South Pasadena.

SCAG finalized its Regional Housing Needs Assessment (RHNA), on March 9, 2021, and allocated a total of 2,067 dwelling units (DUs) to the City of South Pasadena at a range of affordability levels. Additionally, the California Department of Housing and Community Development (HCD) has required the 2021–2029 Housing Element to demonstrate capacity for a surplus of units beyond the RHNA allocation.

Cities and counties are not responsible for building the target number of units, but rather are required to plan for them, by demonstrating the sufficiency of sites to accommodate the allocation and identifying specific Housing Element programs to provide capacity to meet the RHNA requirement with implementation dates, within three years. The Housing Element will not be certified by HCD if it does not include standards and programs for housing production capacity to accommodate the RHNA including rezoning, if necessary.

Project Description

The 2021-2029 Housing Element serves as the policy guide for decision-making regarding residential development and demonstrates how the City intends to comply with State housing legislation and regional (SCAG) requirements.

The 2021–2029 Housing Element will not authorize any specific development project or other form of land use approval, including public facilities or capital facilities expenditures or improvements. The most recent draft of the 2021–2029 Housing Element is available online at the following site:

 Housing Element Update 2021-2029 | South Pasadena, CA (https://www.southpasadenaca.gov/government/departments/planning-andbuilding/housing-element-update-2021-2029).

The 2021-2029 Housing Element cycle for the Southern California region departs significantly from past housing element cycles, with additional State requirements to boost housing production and provide more affordable housing units. Accordingly, the proposed Housing Element update balances strategic and targeted potential housing sites adequate to meet the RHNA allocation and introduces new policies and programs consistent with State law based on a comprehensive, inclusive strategy to encourage housing production and retention to serve the entire community. Per State requirements, the City's proposed 2021–2029 Housing Element must include the following components:

- A detailed analysis of the City's demographic, economic, and housing characteristics.
- An analysis of the barriers to producing and preserving housing.
- A review of the City's progress in implementing current housing policies and programs.
- An identification of goals, policies, and actions in addition to a full list of programs that will implement the vision of the Housing Element.
- A list of sites (Suitable Sites Inventory) that could accommodate new housing, demonstrating the City's ability to meet the quantified housing number established in the RHNA.

The 2021–2029 Housing Element includes the following six overarching goals:

- **Goal 1.0–Conserve the Existing Housing Stock and Maintain Standards of Livability**: Conserve and maintain the existing housing stock so that it will continue to meet livability standards and sustain the community's housing needs.
- **Goal 2.0–Encourage and Assist in the Provision of Affordable Housing**: Facilitate the development of deed-restricted affordable housing units in locations distributed throughout the city in order to provide housing for a diverse community, including low-income households that are least able to afford adequate housing.
- **Goal 3.0–Provide Opportunities to Increase Housing Production**: Provide adequate sites for residential development with appropriate land use designations and zoning provisions, objective design standards, and energy efficiency requirements, and ensure efficient and transparent review processes for residential development, including accessory dwelling units, to accommodate the City's share of the regional housing needs.
- **Goal 4.0–Compliance with State Housing Laws**: Adopt and implement policies and regulations that comply with State laws to facilitate housing for people living with disabilities or experiencing homelessness, and to accelerate the approval processes for housing projects, particularly projects that include affordable housing units.
- Goal 5.0–Promote Fair Housing While Acknowledging the Consequences of Past Discriminatory Housing Practices: Acknowledging that throughout much of the 20th century, discriminatory housing and lending practices excluded non-white people from purchasing housing in the city, and that such history continues to have implications for the community's racial and cultural diversity today. Promote fair housing through policies and programs to promote inclusion of low-and moderate-income households.
- Goal 6.0–Expand and strengthen tenant protections for South Pasadena's existing renters: South Pasadena renters are important members of the community and make up about 53.5% of the city's population. The City's efforts to advance housing that is affordable to people of all income levels must include not only longer-term strategies like facilitating housing production, but also policies and programs that help South Pasadena's existing renters remain in (or return to) their homes and their broader community. To that end, the City is committed to ensuring that all of its renter households maintain housing stability and affordability so that they can stay and thrive in South Pasadena.

Project Development Capacity

Through the public visioning process, the community has identified the character, intensity, and scale of infill development desired for vacant and underutilized tracts. Based on this process, five focus areas were strategically identified. These focus areas include: the Fair Oaks Avenue and Mission Street corridors in the downtown area (i.e., DTSP), the Ostrich Farm District, and three Neighborhood Centers on Huntington Drive, while providing housing opportunities for all.

Based on research, community input, State requirements, and HCD feedback, the central strategy of the 2021-2029 Housing Element continues to be preservation of existing neighborhoods and directing calibrated growth to identified growth areas. Preserving housing supports sustainability objectives and it is also less expensive to create affordable units in existing housing stock. However, to accommodate the 6th Cycle RHNA allocation, the City must determine policies and zoning thresholds that allow and encourage production of new housing units in a manner that South Pasadena has not contemplated in the past. The multi-pronged strategy that the housing element update relies on includes inclusionary housing requirements that the City Council adopted in 2020; encouraging Accessory Dwelling Units (ADUs), with simpler, objective requirements; and rezoning for higher density and mixed-use commercial/residential development. The rezoning of non-residential parcels to allow densities that support and

encourage both market rate and affordable housing units will follow the adoption of a revised General Plan Land Use Element together with the DTSP Update, an update and expansion of the 1996 Mission Street Specific Plan. The plans encourage most of the new housing to be provided in walkable mixed-use environments in the Downtown and along major transit corridors but also accommodate increased housing opportunities within existing residential neighborhoods. The majority of existing land uses in the City are not expected to change substantively, and new development is anticipated to occur largely as infill redevelopment or development in the focus areas. The Project would accommodate a maximum of 2,775 DUs (i.e., the 6th Cycle RHNA allocation of 2,067 DUs plus a RHNA surplus of 708 DUs) and 430,000 sf of non-residential uses, comprised of retail and office development, in addition to existing land uses. The buildout of up to 2,775 DUs and 430,000 sf of retail/office is estimated to generate up to 1,978 additional jobs¹ and 6,882 more residents² in the City through 2040 compared to existing conditions. The population estimate of 6,882 residents assumes full occupancy of 2,775 units. However, based on a vacancy rate of 5.5 percent, the maximum 2,775 DUs in the 2021-2029 Housing Element would result in a resident population increase of approximately 6,503 persons occupying 2,622 DUs (i.e., households). Vacancy rates of 5.5% for the City and 6.4% for the County are applied in this analysis as they are the most recent prior to the COVID-19 pandemic and are expected to be more reflective of typical conditions over the longer-term planning periods of the Project.

Probable Environmental Effects

Pursuant to Section 65759(a)(1) of the *California Government Code*, the City has prepared an Initial Study (IS) with substantively the same information required pursuant to Section 15063 "Initial Study" of the State CEQA Guidelines. Pursuant to Section 65759(b)(2) of the *California Government* Code, an Environmental Assessment, which substantially conforms to the required content for a draft environmental impact report set forth in Article 9 of the California Code of Regulations, will be prepared to expand the findings of the Initial Study and further evaluate the Project's potential impacts on the environment and analyze alternatives. Based on the analysis in the Initial Study, environmental topics determined to have potential impacts and carried forward for additional analysis in the Environmental Assessment include Aesthetics, Air Quality, Biological Resources, Cultural and Tribal Cultural Resources, Energy, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Noise, Population and Housing, Public Services, Recreation, Transportation, Utilities and Service Systems, and Wildfire.

¹ Based on a rate of 1 employee per 200 sf with an 8 percent vacancy as per the Market Analysis (HR&A 2017).

² Based on a rate of 2.48 persons per household derived from the most recent California Department of Finance demographic data for the City (2022).