



CITY of CALABASAS

PLANNING COMMISSION AGENDA REPORT
JULY 16, 2020

TO: Members of the Planning Commission

FROM: Tom Bartlett, AICP, City Planner
Michael Klein, AICP, Senior Planner

SUBJECT: Kick-Off Meeting for the 2021 – 2029 Housing Element Update

RECOMMENDATION: Provide feedback and direction to Staff regarding the 2021 – 2029 Housing Element Update.

STAFF RECOMMENDATION:

That the Commission provide feedback and direction to Staff regarding the 2021 – 2029 Housing Element Update.

REVIEW AUTHORITY:

Any amendment to the Calabasas General Plan must be reviewed by the Planning Commission, in accordance with 66350 of the California Government Code and Chapter 17.76 of the Calabasas Municipal Code.

BACKGROUND:

Every city and county in California must prepare, adopt and implement a General Plan, which establishes overall goals and policies for future growth of the jurisdiction. As set out in the California Government Code, a city's General Plan must include a Housing Element as one of seven mandatory elements. The Housing Element must include policies and programs to meet existing and future housing needs for the City across a wide socio-economic spectrum, as established by the California Department of Housing and Community Development (HCD) and the Southern California Association of Governments (SCAG).

In December 2008 the City Council approved and adopted a comprehensively re-written General Plan for the City – the Calabasas 2030 General Plan. Included in that new

General Plan was a new Housing Element, one of the seven mandatory general plan elements under California law at that time, and which conformed to the fourth Regional Housing Needs Assessment (RHNA) and related requirements under California Government Code Section 65580, et. Seq. Subsequently, in 2014 the City Council adopted an updated Housing Element covering the fifth RHNA cycle and having a 2014 – 2021 timeframe. We are now approaching the end of that fifth RHNA planning period.

6th Cycle of the Regional Housing Needs Assessment (RHNA)

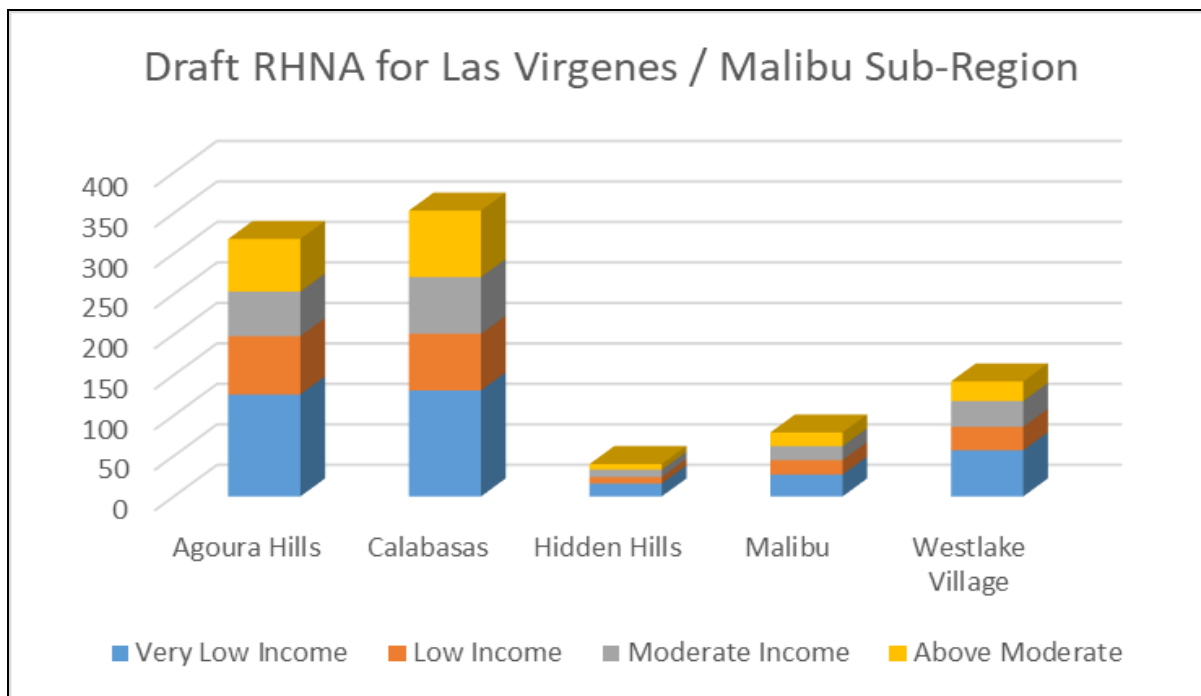
SCAG started the 6th cycle RHNA process through a Local Input Survey, which was distributed to the planning departments for all cities and counties in the region. The survey allowed the Calabasas Planning staff to review SCAG’s growth projections and identify errors/constraints in their draft methodology. Planning staff’s input also included one-on-one discussions with SCAG representatives to demonstrate the City’s severe topographical constraints and extreme wildfire susceptibility. SCAG then used the local input as a basis for finalizing its methodology for RHNA distribution. Exhibit B to this report is a “RHNA Fact Sheet” issued by SCAG.

Late in 2019, SCAG received from HCD a regional allocation of 1,344,740 total new housing units. Shortly afterward, SCAG issued draft RHNA sub-allocations to the region’s individual cities and counties; the City of Calabasas received a preliminary draft allocation of 351 total new housing units, with 290 of those units (more than 80% of the total) to fall into Moderate Income, Low Income, and Very Low Income affordability categories. The draft allocation was later updated by SCAG, and Calabasas now faces an allocation of 353 total housing units. The City’s revised draft RHNA allocation is detailed below.

Draft 6th Cycle RHNA for City of Calabasas

Income Level	Percent of Area Median Income (AMI)	Housing Units	Percent
Very Low	31-50%	131	37%
Low	51-80%	70	20%
Moderate	81-120%	70	20%
Above Moderate	120%+	82	23%
Total		353	100%

For a comparison of the draft RHNA for Calabasas and the draft RHNA allocations for other cities in the Las Virgenes – Malibu COG, please see the following chart.



Based on the revised timeline issued by SCAG (see attached Exhibit A), SCAG will finalize the local government RHNA sub-allocations by February 2021. Nonetheless, no later than October 2021 local jurisdictions must have prepared and completed (adopted) a new Housing Element which will accommodate the jurisdiction's allocated RHNA share.

Over the past 18 months Staff provided several reports to the City Council concerning the 6th cycle of RHNA, and the efforts taken to ensure the allocation for Calabasas would be reasonable, fair and appropriate. (Any person wishing to review those prior reports may access them via the City's Granicus system and the City's website -- the applicable City Council meeting dates were March 27, 2019, September 25, 2019, March 11, 2020, and June 10, 2020).

HCD: Plan for Adequate Sites Above and Beyond RHNA

For the preceding RHNA cycles, the City included a reasonable buffer of available sites in its Housing Element. This buffer (or 'surplus' of future housing capacity) proved beneficial when the City prepared the 5th RHNA cycle update because the City was able to rely on identified sites from the 4th RHNA planning cycle to meet the City's new RHNA. However, with the City's higher 6th RHNA allocation, to include a much higher percentage of affordable units, as well as substantially more stringent site justification requirements (explained below), the existing planned and zoned housing sites will not be adequate.

Recent changes in State Housing Element law (under AB 879 and AB 1397) require substantial additional analysis to justify sites as suitable and available for housing development within the 6th RHNA cycle planning period. For example:

1. Non-vacant sites, small sites (less than 0.5 acres), and large sites (greater than 10 acres) are presumed to be inappropriate for development of housing for lower income households unless the jurisdiction can provide evidence why the sites would be appropriate, such as statements from developers or submitted plans.
2. Vacant sites included in the prior two housing elements to accommodate lower income households, or non-vacant sites included in the prior element, cannot be used in future housing elements (including this 6th RHNA cycle update) unless: a) the site is zoned to the minimum lower income density thresholds; and, b) zoning allows for development by-right based upon at least 20% of units being affordable to lower income households.
3. Unless a jurisdiction has established minimum densities, site capacity calculations must be adjusted downwards based on the following factors: a) land use controls and site improvements; b) realistic capacity of the site; c) typical densities; and, d) environmental and infrastructure constraints.
4. Sites identified in the Housing Element that had either lower income units or a lower income occupant within the past five years must replace that housing at the same or lower income level as a condition of approval.

Layering these new requirements on a jurisdiction's sites inventory will both reduce the number of suitable sites, and the unit capacity on those sites that are deemed appropriate and available for housing development. One example of how these new requirements will clearly affect the City of Calabasas' sites inventory is the large areas of developed Commercial Mixed-Use (CMU) zoned areas. For the most part, these two areas of the City (one on the west side and the other on the east side) consist principally of older suburban office buildings, and the commercial mixed-use land use designation and associated zoning was accomplished in anticipation of eventual redevelopment with multi-family housing mixed in among commercial uses. With the more stringent site requirements for the new 6th RHNA cycle it will be much more challenging to include all the CMU sites at the capacity assumed in the current element.

Meanwhile, HCD will now also require local jurisdictions to identify enough future housing sites inventory to not only cover the jurisdiction's 6th RHNA, but to also provide for an additional buffer capacity above the RHNA. The buffer capacity is required to accommodate realistic production rates of affordable housing units; plus having the buffer can allow for instances when a smaller residential project may have to be considered for a given property. (The "No Net Loss" Law -- Government Code section 65863 -- requires enough sites be maintained to meet the RHNA for all income levels throughout the

planning period.)

Consequently, a critical component of the Housing Element update will be identification of additional housing sites, and we should strive to accomplish this step early in the process.

The ultimate goal will be to select sites which are vetted fully by the community and which can be confidently presented to HCD as being sufficient to meet the City's new RHNA plus provide the requisite capacity buffer.

Certification of the Housing Element by HCD

Another objective of Calabasas's Housing Element update will be to maintain State HCD compliance. HCD certification of a jurisdiction's Housing Element is required under California law; however, there are additional reasons for achieving HCD certification. For one, State approval of the Housing Element can qualify the City for a variety of State housing funds. Furthermore, HCD certification can provide extra legal protection to the General Plan. To secure HCD certification, the new update must not only accommodate the 6th RHNA requirements, it must also comply with a host of additional new housing statutes, including SB 330, AB 879 and AB 1397. Ms. Melinda Coy, a Senior Policy Specialist with the Department of Housing and Community Development, has been advised of the July 16th Planning Commission meeting and has communicated her intent to join and participate.

Community Input and Involvement

Of particular importance to the Housing Element update process is outreach to, and communication with, the overall citizenry; as well as early and ongoing education and outreach to the City's decision-makers. Some of the strategies and efforts planned for obtaining community input, to allay concerns, and to identify solutions, are:

- An on-line housing needs and sites survey
- Public study sessions before Planning Commission and City Council (3 planned)
- Community-wide workshops (2 planned)
- Public hearings before Planning Commission and City Council

Meanwhile, to initiate the process of informing the citizenry and securing their input and participation, Staff has created and posted on the City of Calabasas website a special "**2021-2029 Housing Element Update**" webpage:

<https://www.cityofcalabasas.com/government/community-development/2021-2029-housing-element-update>

Corresponding General Plan Updates and Preparation of an EIR

As already stated, identification of new housing sites will be a key component of this Housing Element update. Accordingly, a related outcome will likely be the need to re-zone new housing sites, and/or to up-zone some existing housing sites. Therefore, both the Land Use Element and the Circulation Element are expected to require corresponding updates to maintain consistency between and among the various General Plan elements, (as required under State law). Meanwhile, updates to the Safety Element and the Circulation Element are now also needed to comply with other new State laws specific to those General Plan elements. The result of all this is that a fairly robust and broad-reaching update to the General Plan is being done, for which we must also prepare and circulate an Environmental Impact Report (EIR). To accomplish the other General Plan element updates plus preparation and circulation of an EIR, the City Council authorized a contract with Rincon Consultants.

The Housing Element Update Team

For more than thirty years Karen Warner Associates (KWA) has specialized in providing housing planning services to cities and counties throughout Southern California. In fact, KWA prepared the City's last two Housing Elements, both of which achieved certification of statutory compliance from HCD. Partnered with KWA is Rincon Consultants, a planning and environmental services firm that helped the City prepare the 2030 General Plan, and which has been providing CEQA consulting services to the City for the past 16 years. Rincon will focus on complementary updates to the Land Use Element, Circulation Element, Safety Element, and other components of the General Plan, as necessary to assure maintenance of overall consistency throughout the General Plan. Rincon Consultants will also prepare the Environmental Impact Report for the entire project.

Representatives from both KWA and Rincon Consultants will participate in the July 16 Commission meeting to explain in further detail the Housing Element update process.

ATTACHMENTS:

- Exhibit A: *6th RHNA Cycle Timeline*, Southern Calif. Association of Governments
- Exhibit B: *RHNA Fact Sheet*, Southern Calif. Association of Governments