



CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: MARCH 2, 2021

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: TOM BARTLETT, AICP, CITY PLANNER

SUBJECT: INTRODUCTION OF ORDINANCE NO. 2021-392, AMENDING SECTION 17.22.020 OF THE CALABASAS MUNICIPAL CODE (DENSITY BONUS PROVISIONS), AS REQUIRED TO COMPLY WITH CALIFORNIA ASSEMBLY BILL 2345 (AB 2345)

MEETING DATE: MARCH 10, 2021

SUMMARY RECOMMENDATION:

Staff recommends that the City Council conduct a public hearing, and introduce Ordinance No. 2021-392 (Attachment A), revising CMC section 17.22.020 as necessary to comply with the provisions of AB 2345.

BACKGROUND:

Under California law (Section 65915 of the Calif. Gov. Code – see Attachment C), every city and county in California must adopt and implement for all residential zoning districts a series of density bonuses and attendant development standard concessions and incentives for the purpose of promoting affordable housing development.

The parameters in State law regarding density bonuses was changed by AB 2345. AB 2345 was approved by the State legislature on August 31, 2020, signed by Governor Newsome on September 28, 2020, and took effect on January 1, 2021. The law is preemptive, meaning its provisions and requirements must be followed and applied by all cities and counties throughout the state immediately, beginning January 1,

regardless of whether the city or county has updated its zoning ordinances. Consequently, Chapter 17.22 of the Land Use and Development Code must be amended to reflect current State housing law. The attached ordinance (Ordinance No. 2021-392, Attachment A to this report) would amend and revise Chapter 17.22 accordingly.

Policy No. V – 17 in the 2014 – 2021 Housing Element of the Calabasas General Plan promotes the availability of a density bonus for housing development projects which include a minimum number of affordable housing units, and Policy No. V – 14 promotes the availability and use of regulatory concessions and incentives as a tool to facilitate the production of affordable housing units. Within the Land Use and Development Code, specifically Chapter 17.22, density bonuses are authorized for new housing projects which include a minimum percentage of affordable units. These policies and zoning standards were developed, adopted, and have been implemented, in compliance with California law, as enacted and in effect at the time. In fact, several housing projects accomplished within the city over the past decade utilized a density bonus in accordance with Chapter 17.22 of the CMC, and incorporated affordable housing within the project as a result.

Depending upon the percentage of the units that would be set aside as affordable housing, and the affordability level of those units, the allowable density bonus for any given residential development project is determined using a sliding scale, as specified within Government Code section 65915. To summarize, the minimum density bonus to be authorized is higher for projects with a greater percentage of affordable units and higher for projects which reserved the affordable units for lower income households. Also, a developer of a new housing project which includes a minimum percentage of affordable units is authorized to secure from the City a minimum number of zoning standard concessions or incentives (plus an automatic off-street parking reduction), with these required concessions or incentives also based upon the percentage and the affordability level of those units.

Under AB 2345, the minimum required density bonuses and minimum number of concessions and/or incentives have been increased for some segments along the sliding scale of affordable housing set-asides. Furthermore, AB 2345 has increased the mandatory off-street parking reductions.

The table at the top of the following page shows a few of the applicable minimum density bonus amounts relative to the amount (percentage) of affordable housing to be provided. (Complete sliding scales of density bonus amounts applicable to all amounts of affordable housing are specified within the State law.) The below summary table also indicates the corresponding concession and incentive schedule. Prior figures are shown in black strike-through, and changes under AB 2345 in red. The amendments accomplished via AB 2345 were expressly intended to encourage low-income housing.

| SUMMARY OF INCREASED REQUIREMENTS FOR DENSITY BONUS AND CONCESSIONS/INCENTIVES | | | |
|--|---|---------------|--|
| Household Income Category | Percentage of Affordable Units in Project | Density Bonus | Minimum Number of Concessions/Incentives |
| Very Low-Income | 5% | 20% | 1 |
| Very Low-Income | 10% | 32.5% | 2 |
| Very Low-Income | 15% | 50% | 3 |
| Very Low-Income | 80% - 100% | 80% | 4 |
| Low-Income | 10% | 20% | 1 |
| Low-Income | 17% 20% | 30.5% | 2 |
| Low-Income | 24% 30% | 50% | 3 |
| Low-Income | 80% - 100% | 80% | 4 |
| Moderate-Income | 10% | 5% | 1 |
| Moderate-Income | 20% | 15% | 2 |
| Moderate-Income | 30% | 25% | 3 |
| Moderate-Income | 44% | 50% | 3 |

The table below notes the current parking thresholds and spaces per unit (in black), and the changes under AB 2345 (in red).

| SUMMARY OF MAXIMUM OFF-STREET PARKING STANDARD REDUCTIONS | |
|---|----------------------------------|
| Thresholds | Max. Req'd. Parking Spaces |
| 0 – 1 bedroom | 1 per unit |
| 2 – 3 bedrooms | 2 1.5 per unit |
| 4 or more bedrooms | 2.5 2 per unit |
| Rental projects with at least 11% very low-income OR 20% low-income AND within 1/2 mile of a major transit stop | 0.5 per BR Unit |
| Rental projects 100% affordable to low-income households AND within 1/2 mile of major transit stop | 0.5 0 per unit |
| Rental project for individuals 62 + AND with paratransit service OR bus routes within 1/2 mile of major transit stop | 0.5 0 per unit |
| Rental project for special needs housing 100% affordable to low-income households AND with paratransit service OR within 1/2 mile of a bus route operating at least 8 times per day | 0 per unit |
| Rental project for supportive housing 100% affordable to low-income households | 0 per unit |
| Moderate-income for-sale project with at least 40% affordable units AND within 1/2 mile of major transit stop | 0.5 per unit |

Additional Annual Reporting Requirements

Under California Government Code section 95400, the City must submit an annual housing element progress report to the California Department of Housing and Community Development and the Governor's Office of Planning and Research by April 1st of each year. AB 2345 now requires the annual progress report include the following information, in addition to required information already stipulated:

- The number of density bonus applications received by the City;
- The number of density bonus applications approved by the City; and,
- Data from projects approved to receive a density bonus from the City, including, but not limited to, the percentage of density bonus received, the percentage of affordable units in the project, the number of other incentives or concessions granted to the project, and any waiver or reduction of parking standards for the project.

Consequently (and notwithstanding the fact that AB 2345 is preemptive), Chapter 17.22 of the Land Use and Development Code must be amended to reflect current State housing law. The attached ordinance (Ordinance No. 2021-392, Attachment A to this report) would amend and revise Chapter 17.22 accordingly.

Per Section 66350 of the California Government Code and Chapter 17.76 of the Calabasas Municipal Code, any amendment to the Land Use and Development Code (Title 17 of the Calabasas Municipal Code) must first be reviewed by the Planning Commission, with the Commission to make a recommendation to the City Council. On February 18, 2021 the Planning Commission conducted a noticed public hearing on the draft ordinance, and voted to recommend to the City Council adoption of the ordinance (see Attachment B, Planning Commission Resolution No. 2021-707).

ENVIRONMENTAL IMPACT REVIEW:

No environmental impact review under the California Environmental Quality Act is required because the proposed ordinance will merely promulgate a newly enacted California housing law, and that state housing law already applies preemptively to all qualifying housing development projects to be considered by the City.

RECOMMENDATION:

Staff recommends that the City Council conduct a public hearing, and introduce Ordinance No. 2021-392, revising CMC section 17.22.020 as necessary to comply with the provisions of AB 2345.

ATTACHMENTS:

- Attachment A: Ordinance No. 2021-392 amending CMC Chapter 17.22 as necessary to comply with the provisions of AB 2345
- Attachment B: Planning Commission Resolution No. 2021-707
- Attachment C: Cal. Gov. Code Sections 65400 and 65915, as amended by AB 2345
- Attachment D: PowerPoint Presentation