



CITY *of* CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 15, 2021

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MAUREEN TAMURI AIA, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: CITY COUNCIL DISCUSSION OF THE CONTINUED LAS VIRGENES MALIBU COUNCIL OF GOVERNMENTS REQUEST TO REVIEW PROPOSED 2021 STATE HOUSING BILLS, AND AUTHORIZATION TO THE CITY MANAGER TO PREPARE AND MAYOR TO SIGN LETTERS REFLECTING THE CITY COUNCIL'S POSITION ON ALL OR SELECTED BILLS

MEETING
DATE: MARCH 24, 2021

SUMMARY RECOMMENDATION:

That the City Council discuss the continued Las Virgenes Malibu Council of Governments request to review proposed 2021 State Housing Bills, and authorization to the City Manager to prepare and Mayor to sign letters reflecting the City Council's position on all or selected bills.

BACKGROUND:

At their meeting of March 10, 2021, the City Council initiated discussion of the Las Virgenes Malibu Council of Government's (COG) request to provide positions on a list of 17 proposed 2021 Housing bills. The Council agreed to consider a late request received from the City of Hidden Hills to additionally consider a position on SB 765.

AGENDA ITEM NO. 10

DISCUSSION:

The Council discussed the Staff report, focusing on the five bills of higher impact. There was a consensus that additional materials and explanation of the bills was desired in order to determine if a position of the Council was warranted.

Staff was requested to return with a) a simplified "bullet list" of points, b) a copy of the most current bill text and c) a request that a knowledgeable League of Cities representative could be present to address more detailed questions from the Council. Jeff Kiernan of the League of California Cities has accepted an invitation from the City Clerk to attend the meeting and respond to Council questions.

Councilmember Weintraub requested that a video of COG lobbyist Mr. Dane Hutchings presentation to the COG also be made available. Here is a link to the video presentation: <https://youtu.be/dWkBxreyyCk>

Housing Bills of Higher Impact (Exhibit 1)

Following, please find a short synopsis of AB 115, SB 9, SB 10, SB 12, SB 55 and SB765 with bullet points for Council consideration:

- 1) **AB 115** would require housing as an allowed use in commercial zones, overriding any provision of the City's General Plan, Specific Plan or Development Code. If passed, it would require the City to permit housing currently prohibited in four Commercial zones.

Pros

- *Would greatly expand multifamily housing development sites in Calabasas, especially in the Mullholland Corridor commercial area.*
- *Encourages development of deed restricted low income units.*

Cons

- *Loss of commercially zoned sites to housing could significantly impact the City's sales tax base and annual revenues*
- *Reduces the limited number of commercial parcels in the City*
- *Costs for the General Plan revisions, rezoning and Development Code updates would be the responsibility of the City*

- 2) **SB 9** (previously introduced last year as SB 1120), would require a proposed housing development with 2 residential units in a single family residential zone to be ministerial approved by right. SB 9 would also require cities to consider ministerial urban lot splits, resulting in the potential for three new homes on an existing single family lot.

Pros

- The small parcel size (1,200sf) and ministerial approval process incentivizes homeowners to split lots and sell off surplus areas, resulting in an accelerated delivery of new housing sites and homes.
- Housing development would be defacto occurring on infill, previously developed lots, a preferable alternative to larger undeveloped and resource rich rural sites.

Cons

- Rapid, unregulated home development strains the current capacity of City infrastructure (e.g. roadways) and services.
- Impacts would accrue to outside agencies, such as the LVUSD and LVMWD, who would need to accommodate the unplanned growth.
- Single family community character, protected under the City's General Plan, would be lost.
- Increases wildfire risks to a larger population.

- 3) **SB 10** would allow (not mandate) cities to pass an ordinance allowing for the zoning of up to 10 units on a parcel in a transit/jobs rich area or urban infill site as CEQA exempt. While the bill exempts High Fire Severity Zones (HFSZ) (the whole of Calabasas), it remains unclear if Calabasas is eligible as additional exemption language regarding "sites who have complied with State fire mitigation measures" are exempt from the exemption.

Pros

- If the City is determined eligible, the opportunity for streamlined creation of smaller housing projects could attract better scaled infill housing in Calabasas.

Cones

- The ambiguous language regarding the City's eligibility needs to be clarified and corrected, as all new projects in Calabasas are required to be "fire hardened" by State Building Codes in HFSZ's.

- 4) **SB 12** would require future adoption of a comprehensive development and retrofit strategy and program to address climate resiliency, flood and wildfire property loss/damage through updates to the General Plan and Safety Element. The program would mandate an inspection and enforcement program to achieve protection of lives and property form wildfire risks. The dates of individual efforts would be required on or after July 2024. State Agency's would be required to set standards, and reduce RHNA allocations in HFSZ designated areas.

Pros:

- The retrofit of Calabasas structures to resist wildfire events would reduce property losses.
- New development would be more protected, accessible and fire hardened.
- The development of periodically updated safety plans to include feasible implementation measures would protect lives and property.
- State demands to develop housing commensurate with non-HFSZ would be greatly reduced or eliminated.
- Fire hardened structures could prove eligible for insurance coverage benefits.

Cons:

- Funding for the program would be borne by the City, as part of their annual budgeting. Costs and staffing efforts for the required periodic updates of General Plan elements and enforcement program would be high, but could be offset by seeking eligible grants or imposing new fees.
- The cost of required retrofit programs would be borne by property owners unless grants are made available. There are over 8,750 occupied structures in the City that could be subject to retrofit requirements.
- The bill imposes stronger findings, additional safety component costs and funded long term maintenance for all new housing developments over 9 units, and could render such projects financially infeasible.
- HOA costs could increase if increased standards for wildfire reduction measures in shared common areas or open space are required.

5) **SB 55** (previously SB 474) would prohibit approvals of all new commercial and residential development in designated High Fire Severity Zones.

Pros

- Community growth and resultant impacts would be alleviated.

Cons

- Because the City is reliant upon maintaining a vibrant sales tax base, the inability to develop revenue generating activities on vacant parcels such as the former Sperling Nursery could have a significant effect on future revenue growth.
- Community investment or property values might be negatively impacted by the severity of the restriction.

6) **SB 765** would provide a City with the ability to return to previous setback rear and side yard regulations for ADU's, which are currently set by the

State at 4ft. for rear and side yards. An applicant can request an alternative setback if the City requirements render development of an ADU infeasible.

Pros

- The City's setbacks of 10 feet for a side yard, and 20 ft. for a rear yard provide greater lighting, air and privacy between occupied structures.

Cons

- Some property owners may elect front yard locations for their ADU's as a result of meeting the increased side and rear yard setbacks, which would generate less desirable aesthetic impacts to a neighborhood or street.

FISCAL IMPACT/SOURCE OF FUNDING:

Staff has not yet determined the financial impact of the bills, and are unable to provide an estimate of the annual and long term cost and staffing impacts to the City.

REQUESTED ACTION:

That the City Council discuss the continued Las Virgenes Malibu Council of Governments request to review proposed 2021 State Housing Bills, and authorization to the City Manager to prepare and Mayor to sign letters reflecting the City Council's position on all or selected bills.

ATTACHMENTS:

Exhibit 1) AB 115, SB 9, SB 10, SB12, SB 55 and SB 765 Legislative Council Digests and Bill Texts