



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MAY 26, 2022

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM: MICHAEL KLEIN, AICP, COMMUNITY DEVELOPMENT DIRECTOR
TOM BARTLETT, AICP, CITY PLANNER**

**SUBJECT: CONSIDERATION OF ORDINANCE NO. 2022-398 TO ADD SECTIONS
17.82 (URBAN LOT SPLITS) AND 17.84 (MINISTERIAL DESIGN
REVIEW PERMITS) TO TITLE 17 (LAND USE AND DEVELOPMENT) OF
THE CALABASAS MUNICIPAL CODE AS NECESSARY TO COMPLY
WITH CALIFORNIA LAW (SENATE BILL 9 AND SENATE BILL 10)**

MEETING DATE: JUNE 8, 2022

SUMMARY RECOMMENDATION:

That the City Council waive further reading and introduce Ordinance No. 2022-398, adding Sections 17.82 (Urban Lot Splits) and 17.84 (Ministerial Design Review Permits) to Title 17 (Land Use and Development) of the Calabasas Municipal Code as necessary to comply with California law (Senate Bill 9 and Senate Bill 10).

BACKGROUND:

On September 16, 2021, the Governor signed into law Senate Bill (SB) 9, the "California Housing Opportunity and More Efficiency (HOME) Act." SB 9 adds Sections 65852.21 and 66411.7 to the Government Code. SB 9 requires cities to ministerially approve a parcel map for an urban lot split and/or a proposed housing development containing a maximum of two residential units on a lot within a single-family residential zone. The law's net effect is to allow up to four units on one original single-family residential parcel.

On September 16, 2021, the Governor signed into law Senate Bill (SB) 10, which adds Section 65913.5 to the Government Code. SB 10 allows, but does not require, cities to pass an Ordinance allowing for the zoning of any parcel for up to 10 units of residential density per parcel in urban infill or transit-rich sites.

On April 27, 2022, the City Council discussed a Draft Ordinance in response to passage of SB 9 and SB 10. At the conclusion of their discussion, the City Council directed staff to proceed with formal review of the Draft Ordinance through the public hearing process, starting with a public hearing by the Planning Commission. On May 19, 2022, staff presented a draft Ordinance to the Planning Commission for consideration at a noticed public hearing. During their discussion, the Commission raised several concerns regarding development in general but did not recommend any changes to the proposed code sections of the draft Ordinance. However, the Commission directed staff to modify the first finding of the Ordinance to include a provision that the City would be adopting the ordinance, despite apparent conflict with certain General Plan policies regarding the preservation of the City's existing community character and residential neighborhoods, under the state constitutional provision that provides that general state laws override conflicting local laws and to reduce, but not eliminate, the impact of the bill on the community. Following the hearing, the Commission adopted Planning Commission Resolution No. 2022-742 (see Attachment B) recommending to the City Council approval and adoption of Ordinance No. 2022-398, as amended. The Planning Commission also recommended the City Council consider and separately adopt a robust set of environmental, i.e. "green," building and development code standards, including requiring solar panels, electric vehicle charging stations, rooftop sprinklers, all electric heating, cooling, and cooking appliances, and strong stormwater management standards. A recording of the meeting may be watched here: http://calabasas.granicus.com/ViewPublisher.php?view_id=4 .

The purpose of the proposed Ordinance is to establish objective zoning, subdivision, and design standards to promote the orderly subdivision of parcels and development of housing as required by SB 9, which took effect on January 1, 2022. The City has not received any applications for lots splits or to build units under SB 9 as of May 20, 2022. Furthermore, the proposed Ordinance expressly declines the City's right to exercise the up-zoning authority provided for in SB 10.

DISCUSSION/ANALYSIS:

Having been approved by Governor Newsom last year, SB 9 went into effect on January 1, 2022, and the City is now mandated by state law to ministerially approve (without a public hearing) a parcel lot split and/or a proposed housing development containing a maximum of two residential units within a single-family residential zone, meeting certain state standards. The purpose of the proposed

Ordinance is to establish certain objective zoning, subdivision, and design review standards as allowed by the state law governing SB 9 projects, to promote the orderly subdivision of parcels and development of housing under SB 9. The proposed Ordinance also adds a legislative declaration of policy that the City Council expressly declines to exercise the up-zoning authority provided by Senate Bill 10. The proposed Ordinance would add two new sections to the CMC as follows:

Section 17.82 – Urban Lot Splits.

The proposed Ordinance states Senate Bill 9 lot splits are limited to single-family zones, namely the RS (Residential, Single-Family), RR (Rural Residential), and RC (Rural Community) districts. The proposed Ordinance would also implement limiting provisions of SB 9 required by state law, such that a parcel is not eligible for a lot split if it was previously subject to a lot split or would require the demolition of affordable or tenant-occupied housing. As stated above, state law requires the City to allow certain parcels to be subdivided into two parcels, and those two parcels developed with two units, for a total maximum of four units on one original lot. The Ordinance in line with state law determines which parcels qualify for these lot splits.

The proposed Ordinance imposes development standards on SB 9 lot splits, including lot size, unit size, and fire safety and access standards. The resulting lots would have to be approximately equal in size, would need access directly or by easement to a street, and would have to each be at least 1200 square feet in size. All of the units then developed on an SB 9 split lot could only be up to 800 square feet in size.

Under the terms of the proposed Ordinance, the applicant is required to sign a covenant stating that all resulting parcels will be used for residential use, no short-term rentals are allowed, and the owner must occupy one of the housing units on the subdivided site for at least three years.

Finally, the proposed Ordinance would allow decisions of the director to be appealed to the Planning Commission.

Section 17.84 – Ministerial Design Review for One or Two Residential Unit(s) Projects

The proposed Ordinance states Senate Bill 9 units can only be built in single-family zones, namely the RS (Residential, Single-Family), RR (Rural Residential), and RC (Rural Community) districts. The proposed Ordinance would also implement limiting provisions of SB 9, such that a parcel is not eligible for an SB 9 unit under state law if it would require the demolition of affordable or tenant-occupied housing. As

stated above, one existing parcel could be subdivided into two parcels, and those two parcels developed with two units, for a total maximum of four units on one original lot.

The proposed Ordinance imposes development standards on new SB 9 unit applications, including fire safety standards, height and floor area standards consistent with the underlying zoning, open space area, parking, setback, and aesthetic standards. SB 9 units are limited to 800 square feet. Applicants are also required to comply with the City's Historic Preservation and Oak Tree Ordinances. Finally, the proposed Ordinance would allow decisions of the director to be appealed to the Planning Commission.

ENVIRONMENTAL IMPACT REVIEW:

Pursuant to Government Code section 65852.21, subdivision (j), and Government Code section 66411.7, subdivision (n), adoption of this Ordinance is not a project for purposes of the California Environmental Quality Act (CEQA) and is statutorily exempt. Further, this Ordinance is not subject to CEQA because it does not involve exercise of a discretionary power under 14 CCR section 15060, subdivision (c)(1) as the Ordinance is being adopted in response to a state mandate.

FISCAL IMPACT/SOURCE OF FUNDING:

No directly related fiscal impacts are anticipated regarding adoption of Ordinance No. 2022-398. However, over the long-term Staff anticipates municipal service demand to increase commensurate with the increase in residential units, but the municipal service demand increase may not be off-set by sufficient new property tax revenue from the additional dwelling units.

REQUIRED FINDINGS:

The required findings, as specified in Section 17.76.040 of the Calabasas Municipal Code for amendments to the Land Use and Development Code, are contained in the proposed Ordinance.

REQUESTED ACTION:

That the City Council waive further reading and introduce Ordinance No. 2022-398, adding Sections 17.82 (Urban Lot Splits) and 17.84 (Ministerial Design Review Permits) to Title 17 (Land Use and Development) of the Calabasas Municipal Code as necessary to comply with California law (Senate Bill 9 and Senate Bill 10).

ATTACHMENTS:

- A: Ordinance No. 2022-398
- B: Planning Commission Resolution No. 2022-742
- C: Draft Minutes from the May 19, 2022, Planning Commission meeting
- D: PowerPoint