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**Title:** CONSIDER RATIFYING THE DIRECTOR’S APPROVAL OF MODIFICATIONS TO THE SUBSEQUENT DRAFT REVISION TO THE CITY’S 6TH CYCLE (2021-2029) HOUSING ELEMENT AS ADOPTED BY CITY COUNCIL ON SEPTEMBER 6, 2022, GPA NO. 22-01 (CITY COUNCIL)

**Sponsors:**

**Indexes:**

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**Attachments:** 1. EXHIBIT NO. 1 CC RESOLUTION 22-193 HOUSING ELEMENT FINAL, 2. EXHIBIT NO. 2 REDLINE REVISED ADOPTED CARSON HOUSING ELEMENT, 3. EXHIBIT NO. 3 REVISED ADOPTED CARSON HOUSING ELEMENT 10-12-22 LINK

Date	Ver.	Action By	Action	Result
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**Report to Mayor and City Council**

Tuesday, October 18, 2022

Consent

**SUBJECT:**

**CONSIDER RATIFYING THE DIRECTOR’S APPROVAL OF MODIFICATIONS TO THE SUBSEQUENT DRAFT REVISION TO THE CITY’S 6TH CYCLE (2021-2029) HOUSING ELEMENT AS ADOPTED BY CITY COUNCIL ON SEPTEMBER 6, 2022, GPA NO. 22-01 (CITY COUNCIL)**

**I. SUMMARY**

On September 6, 2022, the City Council adopted Resolution No. 22-193, approving a Subsequent Draft Revision of City’s 6th Cycle (2021-2029) Housing Element (the “Sept. 6 HE”). The Sept. 6 HE was submitted to the California Department of Housing and Community Development (“HCD”) for review for the required determination of substantial compliance with State Housing Element Law shortly thereafter.

HCD requested a meeting with City staff, which was held on October 11, 2022. In the meeting, HCD provided comments regarding requested changes to the Sept. 6 HE that were not brought to staff’s attention in earlier reviews. HCD’s comments were largely based on its interpretation that the requested changes were needed to fulfill the City’s obligations regarding the Affirmatively Furthering Fair Housing (“AFFH”) requirement, which is a new set of laws administered by HCD that cities must now adhere to in addition to the

other requirements of the Housing Element Law to achieve HCD approval of their housing elements for the 6<sup>th</sup> Cycle. During this meeting, HCD indicated that they needed the revisions submitted back to HCD by end of the day on October 12, 2022. HCD indicated that they would attempt to review the revisions submitted by the City, but did not guarantee a substantial compliance determination by the October 15<sup>th</sup> deadline (discussed in the background section below).

On October 12, 2022, staff prepared revisions to the Sept. 6 HE in response to HCD's comments and submitted them to HCD. Section 4 of Resolution No. 22-193 authorizes the Community Development Director (Director) to "make minor modifications to the [Sept. 6 HE] and associated documents to ensure compliance with State regulations, comments and directives prior to submitting to [HCD] for acceptance." Staff believes the proposed revisions fall within this authorization. However, out of an abundance of caution in the event any of them do not, and to keep the Council informed, staff is now submitting the revisions to the Council for ratification. Exhibit No. 2 to this Report is a redline version of all changes made to the Sept. 6 HE as submitted to HCD on October 12<sup>th</sup> in an effort to meet the October 15<sup>th</sup> deadline.

## **II. RECOMMENDATION**

**TAKE** all the following actions:

1. **MAKE** the CEQA finding set forth below, and, based on said CEQA finding and the other relevant findings set forth in Resolution No. 22-193, **RATIFY** the Director's approval (given pursuant to Section 4 of Resolution No. 22-193) of the modifications to the Sept. 6 HE, as such modifications are shown in Exhibit No. 2 to this Report.

## **III. ALTERNATIVES**

**TAKE** any other action the Council deems appropriate, subject to compliance with applicable law.

## **IV. BACKGROUND**

### History

At the September 28, 2021 Planning Commission meeting, the Commission was provided a presentation regarding the City's 2021-2029 (Sixth Cycle) Draft Housing Element update. The Commission was provided a copy of the then-current Draft Housing Element update that was submitted to HCD. A detailed background of the updated process and the City's past multi-year effort (including extensive public and other stakeholder outreach, decision making involvement, and required environmental review) was also included in the report.

At the October 5, 2021 City Council meeting, the Council approved the recommendation from the Planning Commission to forward the Draft Housing Element to HCD for its required review.

On December 10, 2021, HCD provided its 2021-2029 Draft Housing Element update review letter to the City. The letter was essentially a housing element “correction list” that the City must follow to obtain housing element compliance. Staff reviewed the State’s letter and updated the Draft Housing Element accordingly.

At the January 11, 2022 Planning Commission meeting, the Commission was provided a presentation regarding the City’s revised Draft Housing Element update and a copy of the revised Draft Housing Element that addressed HCD’s December 10, 2021 review letter.

At the February 1, 2022 City Council meeting, the Council approved the recommendation from the Planning Commission to approve the revised Draft Housing Element and forward it to HCD for its required review and before the State deadline of February 11, 2022.

On May 6, 2022, HCD provided its second review letter to the revised Draft Housing Element to the City. The letter included additional revisions that HCD indicated were necessary for the City to incorporate to obtain the required finding from HCD of housing element compliance. Staff reviewed the State’s second letter requesting additional revisions and updated the Draft Housing Element to reflect those revisions.

At an August 30, 2022 special meeting, the Planning Commission recommended approval of the Subsequent Draft Revision to the City’s 2021-2029 (Sixth Cycle) Housing Element to the City Council (the Sept. 6 HE). At its September 6, 2022 meeting, the City Council approved the Sept. 6 HE, which was submitted to HCD shortly thereafter. On October 11 HCD provided comments which approved of the changes made by the City in response to HCD’s prior comments, but also included new comments requiring further changes to the Sept. 6 HE that were not brought to staff’s attention in earlier reviews.

### Summary of Revisions

The following provides a brief summary of the notable revisions to the Sept. 6 HE made in order to address HCD’s latest comments:

- **Greater variety of housing types.** The HE now provides additional housing opportunities for all segments of the population. These opportunities are in the form of:
  - Duplexes in Residential Single-Family zone,
  - Single Room Occupancy (SRO) in Residential Medium Density, Carson Mix-Use, Sepulveda Mixed-Use zones,
  - Emergency shelters in Manufacturing Light and Manufacturing Heavy zones,
  - Supportive housing in in Residential Single Family, Residential Medium Density, Residential High Density Carson Mix-Use, Sepulveda Mixed-Use zones,
  - Transitional housing Residential Single Family, Residential Medium

Density, Residential High Density Carson Mix-Use, Sepulveda Mixed-Use zones,

- Boarding and rooming houses in Residential Medium Density.
  
- **Housing Opportunities in High Resource Areas.** The HE now provides increased housing opportunities to promote “missing middle” and student housing, in addition to greater diversity of housing in high-resource areas of Carson, which are clustered in two areas of the City - in north Carson, largely south of California State University Dominguez Hills, and in the southwestern section of the City along E. Sepulveda Boulevard and Main Street.

The City will zone these areas with a new LMX (Low Medium Mix) Residential designation with several features to promote higher densities:

- Provide information to property owners about how the provisions of SB 9 (already adopted by the City) can be used to create duplexes from existing single-family dwellings as opposed to engaging in SB 9 lot splits, which would generally be infeasible in the subject areas;
- Increase maximum densities to 18 units per acre (compared to 8 units per acre presently) for lots larger than 15,000 square feet to foster bungalow or cottage-court style development. For example, on a half-acre lot, nine housing units would be permitted;
- Encourage small units (small studios/1-bedroom units/micro units smaller than 600 square feet) for student needs on lots larger than 10,000 square feet by allowing them to be counted at half the density of larger units,
- Allow small-plexes of up to six units (when the number of units are achievable through density) by right on all sites larger than 10,000 square feet. Thus, for example, on a half-acre lot, 18 micro units would be developable (at 36 units per acre);
- Opt in to SB 10 for the LMX zone to enable CEQA streamlining.

The City will incorporate the LMX zone revisions as part of the comprehensive Zoning Ordinance update (within one year from adoption of the 2040 General Plan with clear and objective standards for streamlined approval.

- **Homekey/Hotel/Motel Conversion).** The revised HE notes that the County has been pursuing acquisition of the Hampton Inn at 767 E. Albertoni in Carson as a Project

Homekey project using grant funds and other public funds secured by the County, which would provide housing units for individuals and families who are experiencing homelessness or who are at risk of homelessness in Carson. The revised HE provides that if this Homekey project does not materialize with acquisition completed by the County within the next 18 months, the City will pursue other Project Homekey funding opportunities, with funding applications completed by February 2025.

The revisions to the Sept. 6 HE are shown in redline in Exhibit No. 2 to this Report. Per SB 197, if HCD finds the City's 6<sup>th</sup> Cycle Housing Element is in substantial compliance with the State Housing Element Law by October 15, 2022, the City will qualify for a three-year extension of time to complete any rezonings required by Gov't Code Sections 65583(c)(1) (a) and 65583.2(c) (related to the City's inventory of land suitable for residential development, to accommodate its share of the regional housing need by income level [RHNA allocation] requirements).

### CEQA Finding

The revisions to the Sept. 6 HE (as shown in Exhibit No. 2 to this Report) are not a "project" for CEQA purposes (CEQA Guidelines Section 15378, Gov't Code Section 65913.5(a)(3)), and alternatively are covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines Section 15061(b)(3)). The revisions provide that the City will opt into SB 10 for the LMX zone. SB 10 authorizes the City to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area or an urban infill site, as those terms are defined in SB 10, and specifies that an ordinance adopted under SB 10's provisions, and any resolution to amend the City's General Plan adopted to be consistent with that ordinance, is not a "project" for CEQA purposes. SB 10 further provides, "notwithstanding any other law that allows ministerial or by right approval of a development project or that grants an exemption from [CEQA], a residential or mixed-use residential project consisting of more than 10 new residential units on one or more parcels that are zoned pursuant to an ordinance adopted under [SB 10] shall not be approved ministerially or by right and shall not be exempt from [CEQA]." (Gov't Code Section 65913.5(c)(1)). Therefore, CEQA review for such projects would be conducted on a project-by-project basis. Additionally, the revisions to the Sept. 6 HE provide only a commitment to undertake formation of the LMX zone as part of a subsequent Zoning Ordinance amendment, and the changes will not go into effect until the Council adopts the Zoning Ordinance amendment. As such, to the extent any of the revisions constitute a "project" for CEQA purposes, it can be seen with certainty that there is no possibility that such revisions may have a significant effect on the environment.

## **V. FISCAL IMPACT**

### **None. VI. EXHIBITS**

1. Resolution No. 22-193 (September 6, 2022) (pgs. 7-13 )

- a. Subsequent Draft Revision 6<sup>TH</sup> Cycle Housing Element Update as approved by Council September 6, 2022 (Sept. 6 HE): (see link on page 13)
  2. Redline Revisions to Sept 6. HE, as submitted to HCD October 12, 2022 (pgs. 14-27)
  3. Revised Adopted  
Carson Housing Element 10-12-22 (pg. 28) (see link on page28)
- Prepared by: Saied Naaseh, Community Development Director