

Staff Report

TO: City Council

FROM: Christina Taylor, Deputy City Manager

DATE October 4, 2022

SUBJECT: Second Reading and Adoption of the 6th Cycle Housing Element

Update (2021-2029), an Addendum to the General Plan Program Environmental Impact Report (PEIR), a Focused Update to the Safety Element of the General Plan, Amendments to the Land Use Element of the General Plan as Required for Consistency with the Updated Housing Element, Zone Changes Required to Implement the Housing

Element and Adoption of an Accessory Dwelling Unit Ordinance

Background and Analysis:

Under State law, all local governments in California are required to adequately plan to meet the housing needs of everyone in the community by adopting a Housing Element as part of their General Plan. State law also requires that local governments update their Housing Element every eight years to periodically address the changing housing needs of their communities, establish an action plan, and report on progress toward meeting their goals. Most local jurisdictions in the SCAG Region, including the City of Beaumont are currently updating their Housing Elements for the upcoming 2021-2029 planning period.

Staff along with Lisa Wise Consulting has prepared a draft Housing Element for public review and City Council approval. The Housing Element Update was presented at Planning Commission on August 23, 2022. Public comment was taken and discussion held. The Commission voted 4-0 to forward a recommendation of approval of the Housing Element and associated documents to the City Council. On September 20, 2022, the City Council held a public hearing and adopted the items herein.

<u>Update Process:</u> The preparation of a Housing Element is driven by specific statutory requirements under State law. Pursuant to California Government Code Sections 65580-65589.8, all local jurisdictions in California are required to update the Housing Element of their General Plans every eight years. An adopted Housing Element must

then be submitted to HCD to certify that the document meets all requirements under state law.

The City of Beaumont has made a draft Housing Element available for public review consistent with Assembly Bill (AB) 215 (2021), which requires local governments to make the first draft available for public comment for at least 30 days and take at least ten additional business days to consider and incorporate public comments into the draft revision before submitting to HCD. HCD has reviewed the draft and provided written findings. After receiving comments back from HCD, staff and the consulting team prepared a second draft for consideration by the Planning Commission and City Council.

<u>Facilitating Public Participation:</u> In preparing the 2021-2029 Housing Element, staff's goal was to facilitate meaningful public participation from all segments of the community, particularly those with special housing needs. The current draft of the Housing Element has been informed by the public engagement process so far, as summarized below.

Staff conducted outreach in 2021 through a variety of methods to proactively engage key stakeholder and the community broadly in the Housing Element Update. The City held public outreach meetings, as well as hosted public Planning Commission and City Council meetings to solicit public feedback. Throughout the process, the City posted the presentation materials and supplemental information online on the project webpage, directly contacted representatives from all economic segments of the community, and provided broad notifications through various communication outlets. A general public meeting was held on March 18, 2021, on July 20, 2021 at City Council, and on August 10, 2021, at Planning Commission. Outreach summaries and materials are included in Appendix E of the Housing Element Update.

Draft Housing Element:

Under State law, a Housing Element must contain several mandatory components, as summarized below.

Review of Previous Housing Element

Review of the previous Housing Element provided an evaluation of the results of the goals, policies, and programs which were adopted in the last cycle. The evaluation compares projected outcomes with actual achieved results. Although the City did make progress toward meeting the required housing allocation during the 5th Cycle, staff

found there were several programs that were implemented, partially and there were also several programs which were not successful.

Housing Needs Assessment

An analysis of the existing and projected housing needs of the community provided a profile of socio-demographic information, such as population characteristics, household information, housing stock, tenure, and housing affordability. The assessment also considered local special housing needs, such as, seniors, farmworkers, homeless, large households, and female-headed households. This analysis guides the programs which are established to help facilitate housing development across all income and demographic categories.

The City's 6th Cycle RHNA allocation is 4,210 residential units broken down into 4 different categories. This inventory identifies properties which can readily be used for housing development to meet this goal over the next 8 years.

Table II-2: 6th Cycle RHNA

	Beaumont		Riverside County		SCAG	
Area/Income	Number	Percent	Number	Percent	Number	Percent
Total	4,210	100%	167,351	100%	1,341,827	100%
Very Low ¹	1,229	29.2%	41,995	25.1%	351,796	26.2%
Low	721	17.1%	26,473	15.8%	206,807	15.4%
Moderate	723	17.2%	29,167	17.4%	223,957	16.7%
Above Moderate	1,537	36.5%	69,716	41.7%	559,267	41.7%

¹ The City estimates 50% of the Very Low RHNA households would qualify as extremely low income (i.e., 614 extremely low-income units).

Source: SCAG, City of Beaumont, LWC

The Housing Needs Assessment is included as Appendix A to the Housing Element Update.

Inventory of Adequate Sites

The inventory listing of adequate sites that are suitably zoned and available within the planning period to meet the City's fair share of regional housing needs across all income levels is a critical component of the Housing Element. The City has excess capacity in moderate and above-moderate income categories. The City has a small shortfall (49 units) in the lower income categories, and has identified potential parcels

for rezoning to address this shortfall (see Table B-9 for specific parcels and Section IV, Housing Plan, Program 1 for more details).

Table III-1: Residential Development Potential and RHNA

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
RHNA	See Very Low	1,229	721	723	1,537	4,210
ADUs	1	1	4	4	1	11
Entitled/Proposed Projects ¹	-	-	48	-	3,257	3,305
Remaining RHNA	See Very Low	1,227	669	719	(1,721)	N/A
Site Inventory ¹	See Very Low/Low	1,847		3,889	5	5,741
Surplus / (Shortfall)	See Very Low/Low	(49)		3,170	1,726	N/A
¹ Considers net new units only.						
Source: City of Beaumont, LWC						

The complete Sites Inventory and Methodology is included as Appendix B to the Housing Element Update.

Housing Resources

This section identifies resources to support the development, preservation, and rehabilitation of housing throughout the City. Based on accessory dwelling unit (ADU) projections, entitled and proposed projects, and available 6th Cycle sites, the City has excess capacity in moderate and above-moderate income categories. The City has a small shortfall (49 units) in the lower income categories, and the City has identified potential parcels for rezoning to address this shortfall. These sites will be rezoned as part of the Housing Element Update approval process.

There are a number of resources (other than land) including regional, State and Federal financial assistance programs identified in the Housing Element.

Housing Constraints

The constraints section contains an assessment of impediments to housing production across all income levels covering both governmental (e.g., zoning, fees, etc.) and nongovernmental (e.g., market, environmental, etc.). As part of this update, programs have been established to reduce or eliminate constraints to housing production.

The Housing Constraints section is included as Appendix C to the Housing Element.

Housing Plan

This section provides a statement of the community's goals, quantified objectives, and policies to maintain, preserve, improve, and develop housing, as well as a schedule of implementable actions to be taken during the planning period to achieve the goals, objectives, and policies. Quantified objectives for new construction, rehabilitation, and conserved units by income category (i.e., very low, low, moderate, and above moderate) are included to make sure that both the existing and the projected housing needs are met, consistent with the City's share of the Regional Housing Needs Allocation (RHNA). There are 38 programs identified in the Housing Element which will be implemented over the course of the 8-year RHNA Cycle.

Affirmatively Furthering Fair Housing (AFFH)

Assembly Bill 686, signed in 2018, establishes a statewide framework to affirmatively further fair housing (AFFH) with the goal of achieving better economic and health outcomes for all Californians through equitable housing policies. AB 686 requires cities and counties to take deliberate actions to foster inclusive communities, advance fair and equal housing choice, and address racial and economic disparities through local policies and programs. Housing elements are now required to address the following five components:

- Inclusive and Equitable Outreach: A summary of fair housing outreach and capacity that includes all economic segments of the community.
- Assessment of Fair Housing: An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs for all identified populations.
- Analysis of Sites Inventory: An evaluation of whether the Housing Element's sites inventory improves or exacerbates conditions for fair housing.
- Identification of Contributing Factors: The identification and prioritization of contributing factors related to fair housing issue.
- Priorities, Goals, and Actions to AFFH: The identification of fair housing goals and actions that directly address the contributing factors outlined above. The housing

element should include metrics and milestones for evaluating progress and fair housing results.

Staff and the consultant worked to ensure the Housing Element complies with all State and Federal laws. The Affirmatively Furthering Fair Housing (AFFH) section including assessments and actions is included as Appendix F to the Housing Element Update.

Rezone Program

To accommodate the remaining lower-income RHNA of 49 units, the City has identified and is proposing a rezone a minimum of 2.5 acres of vacant land or land with redevelopment potential to a maximum density of 30 units per acre and a minimum density of at least 20 units per acre. The State requires the zone change to be completed by October 15, 2022. Rezoned sites will permit owner-occupied and rental multi-family uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households pursuant to Government Code §65583.2(i). Rezoned sites shall allow 100 percent residential use and shall require residential use to occupy at least 50 percent of the floor area in a mixed-use project. Each potential rezone site has the capacity to accommodate at least 16 units, already allows multifamily uses by right, and will be available for development in the planning period where water, sewer, and dry utilities can be provided.

Table IV-1: Sites Available to be Rezoned to Lower-Income

APN	Zone	Vacant/Existing Use	Re-Used Site?	Parcel Size (ac)	Lower Income Units Capacity Assumption ¹	
419160017	SSMU	Vacant	YES	1.6	31	
419160019	SSMU	Vacant	YES	0.5	10	
419160020	SSMU	Vacant	YES	8.0	16	
419170031	SSMU	Vacant	-	4.2	83	
419170034	SSMU	Vacant	-	1.0	20	
419170035	SSMU	Vacant	-	1.0	21	
419222020	DMF	Vacant	YES	1.3	26	
419222021	DMF	Vacant	YES	1.0	20	
419170016	DMF	Vacant	YES		88	
419170017	DMF	Vacant	YES	Site E (4.4		
419170018	DMF	Vacant	YES	acres)		
419170022	DMF	Vacant	YES			
419170027	DMF	Vacant	YES	2.8	55	
419160005	DMF	Vacant	YES	Site F (2.7 cores)	74	
419160024	DMF	Vacant	YES	Site F (3.7 acres)		
419213039 ²	SSMU-R	Single-family house (abandoned)	-	1.8	35	
			Total	24.1	479	

¹ A minimum of 20 units per acre assumed per Program 1.

Source: City of Beaumont, LWC

The General Plan Land Use Element Update section below describes the proposed changes in more detail.

General Plan Land Use Element Update

The Land Use Element is a guide for the City's future development. It designates the distribution and general location of land uses, such as residential, retail, industrial, open space, recreation, and public uses. The Land Use Element also addresses the permitted density and intensity of the various land use designations as reflected on the City's General Plan Land Use Map.

To accommodate the rezone program identified by the Housing Element update, the Land Use Element would be revised with the following amendments:

Not included as a housing site in Appendix B, as it has a current entitlement for a church; however, the City is receiving developer interest for multi-family projects on this parcel.

- The existing Downtown Mixed Use (DMU) designation in Table 3. 3 would be modified to identify that DMU properties located within the Higher Density Overlay are allowed a density of 20-30 du/acre.
- The existing Sixth Street Mixed Use (SSMU), Sixth Street Mixed Use Residential (SSMU-R), and Downtown Residential Multi Family (DMF) land use designations in the Extended Sixth Street section of Chapter 11 would be modified to identify SSMU, SSMU-R, and DMF properties within the Higher Density Overlay are allowed a density of 20-30 du/acre.

General Plan Safety Element Update

The Safety Element identifies forces of nature and events resulting from human action that have the potential to cause harm to life and property in the city. The goal of the Safety Element is to reduce the potential short and long-term risk of death, injuries, property damage, and economic and social dislocation resulting from fires, floods, droughts, earthquakes, landslides, climate change, and other hazards. Identifying the source of such threats allows decision-makers to take preemptory action to minimize the damage, particularly as it relates to new development.

The Safety Element also addresses crime prevention, police and fire protection, and emergency preparedness and response. Recent State legislation requires certain changes to a Safety Element when the municipality undergoes an update to the Housing Element. The Safety Element would be revised to be consistent with the State legislation through the following actions:

- Identify and propose policies for residential developments in any hazard area identified in the safety element that do not have at least two emergency evacuation routes.
- Update information relating to flood and fire hazards and city assets at risk due to climate change vulnerability.
- Propose and strengthen policies related to risk reduction, emergency preparedness and evacuation, and community and facility resilience infrastructure and strategies.

General Plan PEIR Addendum and CEQA Compliance

The City has prepared an analysis to the General Plan Program Environmental Impact Report to analyze the potential environmental impacts of the Housing Element Update and whether the environmental impacts of the Housing Element were adequately addressed in the Beaumont General Plan Update EIR (SCH# 2018031022) certified in November 2020. The evaluation indicated that the Housing Element Update will not result in impacts beyond what was previously analyzed in the General Plan EIR or require mitigation measures not included previously because the project does not have new or substantially more severe significant environmental impacts. As permitted by State California Environmental Quality Act (CEQA) Guidelines Sections 15164(e) and 15168(c), an addendum to the General Plan EIR was prepared.

Fiscal Impact:

The cost to prepare the Housing Element Update and associated documents was fully funded through SB2 and LEAP Grants through the State of California.

Recommended Action:

Waive the full second reading and adopt by title only, "An Ordinance of the City of Beaumont, California, Amending Chapter 17 'Zoning' of the Beaumont Municipal Code for Implementation of the State Mandated Housing Element Update;"

Waive the full second reading and adopt by title only, "An Ordinance of the City Council of the City of Beaumont, California, Adding Chapter 17.15 'Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs)' to the Beaumont Municipal Code;"

Attachments:

- A. Summary of Zoning Overlays and Zoning Amendments
- B. Accessory Dwelling Unit Ordinance
- C. Ordinance Adopting Zoning Overlays and Amendments
- D. Accessory Dwelling Unit Ordinance