



STAFF REPORT
7/2/2025

TO: Planning Commission Chair and Commissioners

FROM: Kendra Reif, Development Services Director

SUBJECT: City of Coachella 6th Cycle Housing Element proposed amendments to Sections 17.16.020, 17.18.020, 17.18.030, 17.24.020 and 17.24.030 of the Coachella Municipal Code regarding affordable housing developments to bring the city's 6th Cycle Housing Element into compliance with state law. City-Initiated

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission:

1. Adopt Resolution No. PC2025-13 recommending that the City Council adopt an Ordinance approving amendments to the Coachella Municipal Code (C.M.C.) Sections 17.16.020, 17.18.020, 17.18.030, 17.24.020 and 17.24.030 of Title 17 ("Zoning") to permit certain affordable housing developments by right and amend certain height and density standards for affordable housing developments in order to bring the city's 6th Cycle Housing Element into compliance with state law.

BACKGROUND:

The City Council adopted the Coachella General Plan 2035 on April 22, 2015, that established the goals, policies, and implementation strategies that will implement the vision for the City of Coachella. The Housing Element is one of seven mandatory elements of a city's General Plan. The purpose of the Housing Element is to identify and analyze existing and projected housing needs in an effort to preserve, improve and develop housing for all economic segments of the community in accordance with state law. It is the only general plan element for which State certification is required. State law requires that Housing Elements be updated periodically, pursuant to legislative action, depending on the region. As a jurisdiction of the Southern California Association of Governments (SCAG) region, the City of Coachella is required to adopt its updated Housing Element within 120 days of October 15, 2021 that covers the planning period October 2021 through October 2029 (by February 15, 2014). SCAG received a housing need of 1,341,827 units distributed to the 197 SCAG jurisdictions. Jurisdictions that do not have a compliant housing element by the October 15, 2021 deadline may be ineligible to apply for State grants.

The existing Housing Element was adopted by the City and certified by the State Department of Housing and Community Development (HCD) in April 2014. The current draft Housing Element

commenced in early 2021. Since that time, the City has engaged in a series of consultations, workshops, and meetings with housing advocates, developers, local service providers, neighborhood associations, and the community-at-large to solicit input regarding the Element and issues related to its implementation.

On September 28, 2021, the City submitted a draft housing element to HCD for review. On November 24, 2021, HCD issued a findings letter to the City noting multiple revisions necessary for the housing element to be compliant with Housing Element Law. On October 11, 2022, the City submitted a subsequent draft element to HCD for review. On December 9, 2022, HCD issued a second findings letter to the City noting revisions were still necessary for the housing element to be compliant with Housing Element Law.

On June 14, 2023, the City submitted another subsequent draft element to HCD for review. On July 27, 2023, HCD issued a third findings letter to the City noting the revised draft element, incorporating prior revisions submitted, met the statutory requirements of Housing Element Law. However, the housing element cannot be found in substantial compliance until the City has completed necessary rezones to address the shortfall of sites to accommodate RHNA. On September 13, 2023, the 6th Cycle Housing Element, General Plan Amendment, and Environmental Assessment were approved by the City Council. On October 2, 2023, the City submitted a housing element adopted on September 13, 2023, to HCD for review.

On December 1, 2023, HCD issued a fourth findings letter to the City describing HCD's review of Resolution Number 2023-43 and Ordinance 1204 that were completed to address statutory requirements. HCD noted the Resolution and Ordinance do not appear to meet statutory requirements. Therefore, the housing element cannot be found in substantial compliance until the City has completed necessary rezones that meet statutory requirements. The City submitted an Electronic Site Inventory List to HCD on May 1, 2025 and it was accepted by HCD on May 1, 2025.

On May 15th HCD accepted all of staff's changes and issued a letter to the City stating that all proposed changes are in compliance with State Housing Law and meet the statutory requirements related to rezoning to accommodate the lower-income regional housing need allocation (RHNA) pursuant to Government Code section 65585, (Attachment 2).

DISCUSSION/ANALYSIS:

To bring the City's 6th Cycle Housing Element into compliance with State law and promote affordable housing in the City, Planning Staff prepared code amendments to the Coachella Municipal Code and proposes Municipal Code Amendments to Title 17, Zoning, to permit certain affordable housing developments and amend certain development standards to allow for affordable housing.

The proposed C.M.C. zoning amendments are as follows:

U-E Urban Employment Zone (Chapter 17.16.020), DT-PV Downtown Pueblo Viejo and TR-PV Downtown Transition Zones (Chapter 17.18.020), CN Neighborhood Commercial Zone (Chapter 17.24.020)

Permitted uses. Allows for multifamily developments in which at least 20 percent of the units are affordable to lower income households and meet all requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i).

DT-PV Downtown Pueblo Viejo and TR-PV Downtown Transition Zones (Chapter 17.18.30)

Property Development Standards. Modifies building height limitation to 5 stories, or seventy-five (75) feet, whichever is less.

CN Neighborhood Commercial (Chapter 17.24.030)

Property Development Standards. Modifies minimum density to 20 dwelling units/acre for multifamily residential uses meeting state requirements and modifies the maximum height limit to four (4) stories or fifty (50) feet, whichever is less.

Once the rezoning of land occurs, the City's 6th Cycle Housing Element will comply with State law, allowing the City to implement the new 2021-2029 Housing Element.

ENVIRONMENTAL REVIEW:

This Ordinance is a "project" subject to the California Environmental Quality Act (CEQA). On September 13, 2023, the Coachella City Council adopted an Environmental Impact Report (EIR) when it adopted the 6th Cycle Housing Element, which analyzed the significant environmental impacts resulting from adoption of the new Housing Element. Because this zoning Ordinance merely implements the provisions of the new Housing Element, the analysis contained in the EIR remains sufficient to outline the significant environmental impacts of this Ordinance. No facts or circumstances have significantly changed since adoption of the Housing Element and the EIR. Therefore, no further environmental analysis of this Ordinance is required under CEQA.

ALTERNATIVES:

- 1) Adopt Resolution No. PC2025-13 recommending that the City Council approve amendments to the Coachella Municipal Code (C.M.C.) Sections 17.16.020, 17.18.020, 17.18.030, 17.24.020 and 17.24.030 of Title 17 ("Zoning") for adoption of the 2021-2029 Housing Element.
- 2) Adopt Resolution No. PC2025-13 recommending that the City Council approve amendments to the Coachella Municipal Code (C.M.C.) Sections 17.16.020, 17.18.020, 17.18.030, 17.24.020 and 17.24.030 of Title 17 ("Zoning") for adoption of the 2021-2029 Housing Element *with amendments*.
- 3) Recommend denial of Resolution No. PC2025-13.
- 4) Continue this item and provide staff with direction.

RECOMMENDED ALTERNATIVE(S):

Staff recommends Alternative #1 as noted above.

Attachment:

1. Resolution No. PC2025-13, Amending Zoning Code to Conform with HCD
Approved 6th Cycle Housing Element
Exhibit A – Ordinance Amending Zoning Code to Conform with HCD
Approved 6th Cycle Housing Element
Exhibit B – Draft 6th Cycle Housing Element of the City of Coachella
2. Letter from the California Department of Housing and Community Development
(HCD)