



AGENDA REPORT SUMMARY

Meeting Date: September 7, 2023

Subject: Housing Element Implementing Ordinance

Prepared by: Nick Zornes, Development Services Director

Attachment(s):

1. Draft Ordinance
2. Appendix A – Chapter 14.16
3. Appendix B – Chapter 14.18
4. Appendix C – Chapter 14.20
5. Appendix D – Chapter 14.22
6. Appendix E – Chapter 14.24
7. Appendix F – Chapter 14.40
8. Appendix G – Chapter 14.44
9. Appendix H – Chapter 14.48
10. Appendix I – Chapter 14.52
11. Appendix J – Chapter 14.54
12. Appendix K – Chapter 14.80

Initiated by:

City of Los Altos adopted 6th Cycle Housing Element, Program 3.B, 3.C, 3.F, 3.G, and 3.N.

Fiscal Impact:

No fiscal impacts are associated with the adoption of these implementing regulations.

Environmental Review:

This Ordinance is exempt from environmental review pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970.

Summary:

The draft ordinance incorporates regulations implementing Program 3.B: Modify building height in mixed-use zoning districts, Program 3.C: Remove floor-to-area ratio (FAR) restriction at Rancho Shopping Center and Woodland Plaza, Program 3.F: Reduce Conditional Use Permit requirement for residential mixed-use and multi-family, Program 3.G: Amend Conditional Use Permits findings applicable to housing Developments, Program 3.N: Modify standards in the R3 zoning districts of the adopted Housing Element.

Reviewed By:

Development Services Director

NZ

City Attorney

JH



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Staff Recommendation:

The Planning Commission provide recommendation to the City Council to introduce and adopt the Draft Ordinance as presented tonight.

Background:

On January 24, 2023, the Los Altos City Council adopted the City’s 6th Cycle Housing Element 2023-2031. As required by law, the adopted housing element has several housing programs contained within. The City of Los Altos identified specific programs in its housing element that will allow it to implement the stated policies and achieve the stated goals and objectives.

Programs must include specific action steps the City will take to implement its policies and achieve its goals and objectives. Programs must also include a specific timeframe for implementation, identify the agencies or officials responsible for implementation, describe the city’s specific role in implementation, and (whenever possible) identify specific, measurable outcomes.

Programs 3.B, 3.C, 3.F, 3.G, and 3.N are prescribed under Goal 3 in the adopted Housing Element which is intended to remove constraints to the development of housing. The proposed amendments contained in the draft ordinance help to further Policy 3.1 promote housing through city regulation, and Policy 3.2 modify zoning code to assist in meeting housing needs.

The draft ordinance under consideration implementing Programs 3.B, 3.C, 3.F, 3.G, and 3.N are required to be adopted at various times within the planning cycle. Due to the various requirements and deliverables of the 6th Cycle Housing Element the draft ordinance was prepared early to help ensure that ample time is available to execute several other adopted programs. By providing additional time in amending each chapter of the draft ordinance the city helps to provide additional buffer in creating the regulatory environment to allow for the approval and creation of housing units.

Analysis:

The City’s adopted 6th Cycle Housing Element 2023-2031, included Program 3.B. The housing program requires the proposed ordinance amendments to *Modify building height in mixed-use zoning districts*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 3.B: Modify building height in mixed-use zoning districts.

Various mixed-use zoning districts limit development to 30 feet or no more than two stories. To facilitate housing development in mixed-use zoning districts, the City will amend the Zoning Code to increase allowed building heights as referenced in the Downtown Vision Plan height recommendation section, at minimum if not greater, than the following:

- *First Street and San Antonio District*



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- *Standalone Residential: 40 feet, 4-stories*
- *Mixed-Use: 45 feet, 4-stories*
- *Edith District*
 - *Standalone Residential: 40 feet, 4-stories*
- *Main and State Street District*
 - *Mixed-Use: 36 feet, 3-stories*

The City will then evaluate and update allowed heights in the Commercial Neighborhood (CN) District at minimum allowing an additional 10 feet and one story to maintain first floor commercial uses and accommodate residential uses on upper floors to be provided as mixed-use development. This effort will include modifying existing objective design standards as necessary to accommodate anticipated housing capacity while addressing community design goals.

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *Amendments to Zoning Code for increased building heights in downtown by December 2023; zoning code amendments to increase allowed heights in Commercial Neighborhood (CN) District by December 2024*

The City's adopted 6th Cycle Housing Element 2023-2031, included Program 3.C. The housing program requires the proposed ordinance amendments to *Remove floor-to-area ratio (FAR) restriction at Rancho Shopping Center and Woodland Plaza*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 3.C: Remove floor-to-area ratio (FAR) restriction at Rancho Shopping Center and Woodland Plaza.

The City will remove the site-specific 0.35 floor-to-area ratio (FAR) limitation applicable to the Rancho Shopping Center and Woodland Plaza, as the FAR limit presents a constraint to housing and is more restrictive than the FAR standard in the Commercial Neighborhood (CN) District. The City will create new development standards reflective of a mixed-use zone that requires both commercial and residential uses for the Rancho Shopping Center and Woodland Plaza properties.

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *December 2024*

Objective: *Remove site-specific 0.35 floor-to-area ratio (FAR) and create development standards that require both commercial and residential uses for the Rancho Shopping*



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Center and Woodland Plaza properties to incorporate needed housing units and preserve essential shopping services.

The City's adopted 6th Cycle Housing Element 2023-2031, included Program 3.F. The housing program requires the proposed ordinance amendments to *Reduce Conditional Use Permit requirement for residential mixed-use and multi-family*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 3.F: Reduce Conditional Use Permit requirement for residential mixed-use and multi-family.

To facilitate housing, the City will amend the Zoning Code to allow the following as permitted uses (and no longer requiring a conditional use permit):

- *Residential mixed-use in the CN, CD, CRS, CT, and CRS/OAD districts; and*
- *Multi-family in appropriate areas of mixed-use districts (e.g., not on the ground floor, etc.).*

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *September 2024*

Objective: *By allowing the residential use by-right the time for City review of and action on residential mixed-use and multi-family developments will be shortened compared to typical processing times of a conditional use permit (see Appendix C, Table C-8).*

The City's adopted 6th Cycle Housing Element 2023-2031, included Program 3.G. The housing program requires the proposed ordinance amendments to *Amend Conditional Use Permits findings applicable to housing developments*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 3.G: Amend Conditional Use Permits findings applicable to housing developments.

Conditional Use Permit (CUP) approval is subject to findings listed in Zoning Code Section 14.80.060. CUP findings will be amended so that only objective findings and standards are applicable to housing developments, including single-room occupancy units, consistent with State law. Additionally, the City will designate the review and approval of conditional use permits for housing developments to the Authority of the Development Services Director.



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Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *March 2024*

The City's adopted 6th Cycle Housing Element 2023-2031, included Program 3.N. The housing program requires the proposed ordinance amendments to *Modify standards in the R3 zoning districts*. The draft ordinance included in this agenda packet effectively completes these deliverables as explicitly called out within the housing program.

Program 3.N: Modify standards in the R3 zoning districts.

The City will amend its Zoning Ordinance to allow building heights of 35 feet and three stories in all R3 zoning districts. The City will also increase allowed site coverage in the R3 zoning districts to ensure maximum densities can be achieved.

Responsible Body: *Development Services Department, Planning Commission, City Council*

Funding Source: *General Fund*

Time Frame: *December 2026*

Discussion:

The actions included within the attached draft ordinance are requirements pursuant to the City's adopted 6th Cycle Housing Element. Once a jurisdiction takes final action by adopting its housing element this requires immediate action in order to remain compliant with State housing law. The City of Los Altos Housing Element contains 26 major action items or milestones that must be completed within the first 12-months post adoption. The draft ordinance will effectively accomplish multiple components of the required housing programs within the adopted housing element.