



Staff Report

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**File #:** 24-0197

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**PLANNING AND HOUSING COMMISSION STAFF REPORT**

**DATE:** 03/25/2024

**TO:** Honorable Chair and Commissioners

**FROM:** Planning & Development Department

**APPLICATION REQUEST:**

**SPA2023-0008:** Amendment to various specific plans to include an Affordable Housing Overlay zone to the existing zoning on certain properties and to change 1.33 acres from Gateway Business to Multifamily Residential to meet the City's mandated Regional Housing Needs Assessment required by the General Plan Housing Element for Planning Period 2021-2029. (Applicant: City of Corona)

**RECOMMENDED ACTION:**

**That the Planning and Housing Commission** recommend APPROVAL of SPA2023-0008 to the City Council, based on the findings contained in the staff report and the Addendum to the Supplemental Environmental Impact Report for the Corona Housing Element Rezoning Program certified on March 1, 2023.

**BACKGROUND**

General Plan Housing Element 2021-2029

The City's 2021-2029 Draft Housing Element Update was adopted by the City Council on November 3, 2021 and the Final Housing Element Update was approved by the California Department of Housing and Community Development (HCD) on October 12, 2022.

The City's total Regional Housing Needs Assessment (RHNA) assigned for the Housing Element during Planning Period 2021-2029 is 6,088 units with 2,792 units allocated to low-income housing units and 1,096 units allocated to moderate-income housing units. The remaining 2,200 housing units are allocated to above-moderate income housing units.

According to Program 7 of the Housing Element, the city is required to rezone properties that would accommodate the planning of low and moderate income housing units. The zoning for low income housing units shall be high density residential with a density of at least 30 dwelling units to the acre (du/ac). The City's Housing Element Update included an inventory of properties ("sites") that would need to be rezoned to high density residential or an Affordable Housing Overlay (AHO) zone to allow

for the planning of potential housing units that would be suitable for low- and moderate-income units based on the City's RHNA allocation. The deadline to complete the rezoning associated with the Housing Sites Inventory in the Housing Element is October 12, 2024, for the city's Housing Element to remain compliant with state law.

#### Rezoning Program Phase One

The AHO zone was adopted by the City in March 2023 and is regulated by Corona Municipal Code Chapter 17.31. The AHO zone established by-right development standards for affordable housing projects and requires at least 20 percent of the total residential units within a housing development to be set aside for lower income units. The density of the AHO zone is based on the General Plan, which will allow a density range between 36 to 60 du/ac. The AHO zone allows mixed-use development consisting of commercial and residential if 51 percent of the floor area is devoted to residential, and 100 percent residential development, which can include mixed-income housing units consisting of low, moderate and above-moderate income units.

The AHO zone covers properties that are currently developed with non-residential land uses. The overlay allows property owners the option to redevelop under the property's existing zoning standards or the AHO zoning standards.

A portion of the rezoning program was completed in March 2023 and changed the zoning on 126 sites in the City, which increased the residential density on the sites to support the planning of low and moderate income housing units. During the initial review process for the rezoning program, 32 housing sites originally identified to be rezoned on the housing sites inventory in the Housing Element were removed, creating a shortfall of housing sites for at least 632 low income housing units.

#### Rezoning Program Phase Two

The second phase of the rezoning program proposes to rezone 24 sites to make up for the shortfall of the low income housing sites that were removed from the Housing Element during the first phase of the rezoning program. This is being accomplished by CZ2023-0007, which covers four parcels, and Specific Plan Amendment 2023-0008 (SPA2023-0008), which covers 20 parcels. The 24 sites will accommodate at least 463 low income units and 13 moderate income units using a realistic capacity. The Housing Element Sites Inventory initially had a buffer of 210 units for lower and moderate incomes to accommodate a shortfall in housing units should a housing site not be developed for lower income units. To make up for the shortfall of housing units due to the previously identified sites being removed, surplus units were used to fix the shortfall of housing units for low income in addition to the sites being added by CZ2023-0007 and SPA2023-0008. Eight sites originally included in the first phase located on East Grand and Victoria Avenue were removed during the public hearing process but are being included again in this second phase at the request of certain residents. These sites are part of SPA2023-0008.

#### SB 6 and AB 2011

Senate Bill 6 (SB 6) and Assembly Bill 2011 (AB 2011) became effective on July 1, 2023, and allow high density residential on properties that are zoned for office, retail or parking as a principally permitted use. The city processed an amendment to the Zoning Code and several specific plans in

May 2023 to accommodate the requirements of the state laws. SB 6 allows high density housing that consists of 100% residential or a mixed-use project if at least 50% of the square footage is dedicated to residential on commercially zoned properties. The city also required a housing development proposed by SB 6 to adhere to the city’s AHO zone, which requires at least 20% of the total housing units to be low income units since no affordable housing was required by the law. AB 2011 requires affordable housing units, which can consist of 100% residential and a mixed-use project with at least two-thirds of the square footage designated for residential. The city’s AHO zone has requirements similar to SB 6 and AB 2011 for developing high density residential in commercial zones.

**PROPOSED SPECIFIC PLAN AMENDMENT**

SPA2023-0008 will rezone certain properties located within specific plans to include an AHO zone to the existing zoning on the properties or change the zoning from non-residential to high density residential. Properties being rezoned to include an AHO zone will not prevent the existing uses on the properties from operating nor will it prohibit land uses currently allowed by the underlying zoning. The AHO zone would allow the option of the property to be redeveloped with high density residential or mixed-use that includes commercial and residential. The AHO zone requires 20% of the total number of housing units within a development to be set aside for low income units.

The following tables identify the specific plans and properties being amended. The properties associated with each specific plan are also shown in Exhibits 1, 2 and 3.

Table 1  
Downtown Revitalization Specific Plan (SP98-01)

Site Address	Assessor Parcel #	Existing Uses	Acres	Existing Zoning	Proposed Zoning	Surrounding Land Use
44 E Grand Blvd	117-080-003	Single Family	0.18	GB (Gateway Business)	MF (Multiple Family)	Bus transfer station, business park industrial buildings, parking lot
116 N. Victoria Ave.	117-080-004	Single Family	0.17	GB	MF	Same as above
110 N. Victoria Ave.	117-080-005	Single Family	0.18	GB	MF	Same as above
108 N. Victoria Ave.	117-080-018	Single Family	0.17	GB	MF	Same as above
N. Victoria Ave.	117-080-028, -029	Vacant	0.10	GB	MF	Same as above

115 N. Victoria Ave.	117-080-009	Single Family	0.21	GB	MF	Same as above
111 N. Victoria Ave.	117-080-022	Single Family	0.16	GB	MF	Same as above
N. Victoria Ave.	117-080-024	Vacant/ Storage	0.10	GB	MF	Same as above

The properties described in Table 1 were part of the phase one rezoning program, but the properties were removed during the public hearing process due to concern from one of the property owners. The properties are being added back to the rezoning program at the request of the property owner.

Table 2  
Northeast Corona Specific Plan (SP81-02)

Site Address	Assessor Parcel #	Existing Uses	Acres	Existing Zoning	Proposed Zoning	Surrounding Land Uses
125 N. McKinley	172-050-005	Commercial buildings, parking lot	2.06	SC (Support Commercial)	SC(AHO) (SC with an Affordable Housing Overlay)	Commercial, attached and detached residential, light industrial
107 N. McKinley	172-050-007	Commercial buildings, parking lot	1.06	SC	SC(AHO)	Same as above
115 N. McKinley	172-050-003	Commercial buildings, parking lot	0.32	SC	SC(AHO)	Same as above
123 N. McKinley	172-050-002	Commercial buildings, parking lot	0.29	SC	SC(AHO)	Same as above
131 N. McKinley	172-050-001	Commercial buildings, parking lot	0.37	SC	SC(AHO)	Same as above
109 N. McKinley	172-050-006	Commercial buildings, parking lot	4.28	SC	SC(AHO)	Same as above

Table 3  
El Cerrito Specific Plan (SP91-2)

Site Address	Assessor Parcel #	Existing Uses	Acres	Existing Zoning	Proposed Zoning	Surrounding Land Uses
3335 Grand Oaks	279-231-026	Commercial buildings, parking lot	10.7	CC (Commercial Center)	CC(AHO) (CC with an Affordable Housing Overlay)	Commercial, mini-storage, light industrial
3417 Grand Oaks	279-231-027	Commercial buildings, parking lot	7.09	CC	CC(AHO)	Same as above
3432 Grand Oaks	279-231-028	Commercial buildings, parking lot	1.49	CC	CC(AHO)	Same as above
3615 Grand Oaks	279-231-025	Commercial buildings, parking lot	12.83	CC	CC(AHO)	Same as above
3685 Grand Oaks	279-231-029	Commercial buildings, parking lot	2.06	CC	CC(AHO)	Same as above
3591, 3579, 3555, 3539, and 3515 Grand Oaks	279-231-030, -031, -032, -033, -034	Commercial buildings, parking lot	6.12	CC	CC(AHO)	Same as above

Staff spoke with the operator of The Crossings regarding the addition of the AHO zone to the properties listed in Table 3. The operator had no objection to the overlay zone being added to the properties located on the east side of Grand Oaks.

**ENVIRONMENTAL ANALYSIS**

The City prepared an Addendum to the Supplement Environmental Impact Report (EIR) for the Corona Housing Element Rezoning Program, certified on March 1, 2023. Per the California Environmental Quality Act (CEQA), an addendum to a previously-certified EIR can be prepared if some changes or additions are necessary to the prior EIR, but none of the conditions calling for preparation of a subsequent or supplemental EIR have occurred (CEQA Guidelines §§15162, 15163, 15164). The City has determined that none of the conditions listed in §§15162, 15163, 15164 apply and that an Addendum to the Supplemental EIR (SCH No. 2022060732) for the Corona General Plan Housing Element Rezoning Program Update, certified by the City Council on March 1, 2023, and

related entitlements, fully complies with CEQA, as described in the *CEQA Guidelines*. This Addendum is prepared in conformance with CEQA (California PRC Section 21000, et seq.) and the CEQA Guidelines (California Code of Regulations [CCR], Title 14, Section 15000, et seq.).

### **FISCAL IMPACT**

This is a city initiated application and no application fees are associated with the processing of SPA2023-0008.

### **PUBLIC NOTICE AND COMMENTS**

A 20-day public notice was mailed to all property owners within a 500-foot radius of the project site, as well as advertised in the Sentinel Weekly News. As of the preparation of this report, staff received phone calls and one email regarding the nature of the application and if any projects were being proposed with the request.

### **STAFF ANALYSIS**

The rezoning is intended to facilitate and provide incentive for the development of high density residential for low income housing units that enable the city to meet its housing goals and ensure that affordable housing developments will be compatible with surrounding land uses. It is common for high density housing to be located in commercial zones and in some cases be included in a mixed use development that consists of commercial uses.

SPA2023-0008 is also consistent with Program 7 in the city's Housing Element, which requires the city to rezone properties to allow for high density development that would support the development of low income housing units.

The city notified the property owners affected by the change of zone describing the purpose of the AHO zone and reiterated the existing commercial zoning on the property would remain and not affect existing uses. No objections from the property owners were received.

### **FINDINGS OF APPROVAL FOR SPA2023-0008**

1. The City prepared an Addendum to the Supplement Environmental Impact Report (EIR) for the Corona Housing Element Rezoning Program, certified on March 1, 2023. Per the California Environmental Quality Act (CEQA), an addendum to a previously-certified EIR can be prepared if some changes or additions are necessary to the prior EIR, but none of the conditions calling for preparation of a subsequent or supplemental EIR have occurred (CEQA Guidelines §§15162, 15163, 15164). The City has determined that none of the conditions listed in §§15162, 15163, 15164 apply and that an Addendum to the Supplemental EIR (SCH No. 2022060732) for the Corona General Plan Housing Element Rezoning Program Update, certified by the City Council on March 1, 2023, and related entitlements, fully complies with CEQA, as described in the *CEQA Guidelines*. This Addendum is prepared in conformance with CEQA (California PRC Section 21000, et seq.) and the CEQA Guidelines (California Code of Regulations [CCR], Title 14, Section 15000, et seq.).
2. Pursuant to CMC Section 17.53.090(B)(1)(a) the plan systematically implements and is

consistent with the General Plan for the following reasons:

- a. SPA2023-0008 is consistent with Goal H-1 because it establishes zoning on certain properties that help promote a balance of housing types for corresponding affordability levels that assist in meeting the demand for housing within all economic segments of the City.*
  - b. SPA2023-0008 is consistent with Policy H-1.3 because it provides sites for residential development, including sites for affordable housing so that the scarcity of land does not unduly increase the cost or decrease the availability of housing for all economic segments of the community.*
3. Pursuant to CMC Section 17.53.090(B)(1)(b) the Plan provides for the development of a comprehensively planned project that is superior to development otherwise allowed under the conventional zoning classifications for the following reason:
  - a. SPA2023-0008 amends the land uses of certain properties that provide an opportunity for high density residential to support the development of affordable housing in well planned environments that are capable of supporting the intended use and capacity, and according to the development standards of the AHO zone listed in CMC Chapter 17.31.*
4. Pursuant to CMC Section 17.53.090(B)(1)(c) the Plan provides for the construction, improvement, or extension of transportation facilities, public utilities and public services required by the long-term needs of the project and/or other area residents, and complements the orderly development of the City beyond the project's boundaries for the following reasons:
  - a. SPA2023-0008 proposes residential land uses that are allowed by the specific plans or by the AHO zone in addition to the existing zoning on certain properties, and high density housing developed under the AHO zone is required to adhere to the development standards listed in CMC Chapter 17.31 to maintain the orderly development of property.*
  - b. The subject properties are mostly infill properties located in developed areas that contain existing commercial uses that are supported by existing infrastructure, such as utilities, and improved city streets.*
5. Pursuant to CMC Section 17.53.090(B)(1)(d), the Plan provides for the appropriate orientation and relationship between land uses within and adjacent to the project for the following reason:
  - a. SPA2023-0008 proposes to allow high density residential on commercial properties, which is common since commercial properties can support mixed-use developments that consist of residential and commercial in the same environment.*
6. In addition to the findings made in reference to CMC Section 17.53.090, the following additional findings are made in reference to the amendments to SP98-01 (Downtown Revitalization) per Section VIII(9):

a. *SPA2023-0008 is consistent with the City's General Plan because:*

i. *SPA2023-0008 will promote General Plan Goal H-1 because it establishes zoning on certain properties that help promote a balance of housing types for corresponding affordability levels that assist in meeting the demand for housing within all economic segments of the City.*

ii. *SPA2023-0008 will promote General Plan Policy H-1.3 because it provides sites for residential development, including sites for affordable housing so that the scarcity of land does not unduly increase the cost or decrease the availability of housing for all economic segments of the community.*

b. *SPA2023-0008 is consistent with the goals, policies and planning concepts of the Downtown Revitalization Specific Plan because it provides land uses that enhance and preserve housing types within Downtown Corona that enable citizens from varying economic levels and age groups to live within the area and promotes the reinvestment in property to create a revitalized Downtown.*

7. In addition to the findings made in reference to CMC Section 17.53.090, the following additional findings are made in reference to the amendments to SP91-02 (El Cerrito Specific Plan) per Section 14.5:

a. *SPA2023-0008 is consistent with the City of Corona General Plan because it supports the General Plan Housing Element goal of maintaining a balance of housing types and corresponding affordability levels to provide for the community's demands for housing within all economic segments of the City by having the zoning of sites available for the production of affordable housing units in conjunction with market rate units.*

b. *SPA2023-0008 is consistent with the intent of the specific plan because required improvements for infill development on established properties are still a requirement of new development.*

c. *SPA2023-0008 is consistent with the Preannexation Policy for El Cerrito as set out in Section 2.3 because it does not require existing neighborhoods to be improved with new public improvements that would affect the appearance of the existing environment, nor does it affect the operation or use of the land uses that currently exist within the geographic boundary of the specific plan.*

d. *SPA2023-0008 maintains adequate circulation to and from and within the plan area because the circulation plan is not affected.*

e. *SPA2023-0008 does not change the geographic area of the specific plan and maintains the public service levels, which adequately serve the specific plan area.*

f. *SPA2023-0008 maintains the public and private open space system as both resources are neither disrupted nor depleted.*

g. *SPA2023-0008 proposes an affordable housing overlay zone on commercial properties*

*that are capable of supporting high density residential, which is common in commercial zones because commercial uses in conjunction with residential have created mixed-use developments on properties that would be compatible with surrounding designations and would not create future land use incompatibilities.*

*h. SPA2023-0008 proposes an overlay zone for affordable housing on certain properties but does not change the underlying land use designations of the specific plan's Land Use Plan and therefore the amendment is not expected to result in a negative job/housing ratio in the specific plan area.*

*i. SPA2023-0008 adds an overlay zone for affordable housing on commercial properties does not jeopardize the City's ability to levy sufficient special taxes on property within the CC-Commercial Center land use district to pay debt service on the outstanding bonds for Community Facilities District No. 2002-4 or alter the security for the payment of principal and interest on the outstanding bonds for Community Facilities District No. 2002-4.*

**SUBMITTED BY:** JOANNE COLETTA, PLANNING & DEVELOPMENT DIRECTOR

**EXHIBITS**

1. Proposed amendment to properties with the Downtown Revitalization Specific Plan.
2. Proposed amendment to properties with the Northeast Corona Specific Plan.
3. Proposed amendment to properties with the El Cerrito Specific Plan.
4. Text revisions to the Downtown Revitalization Specific Plan.
5. Text revisions to the Northeast Corona Specific Plan.
6. Text revisions to the El Cerrito Specific Plan.
7. Email correspondence on SPA2023-0008.
8. Environmental documentation.

Case Planner: Joanne Coletta, Planning & Development Director (951) 736-2262