



Staff Report

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**File #:** 24-0273

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 04/17/2024

**TO:** Honorable Mayor and City Council Members

**FROM:** Planning & Development Department

**SUBJECT:**

CHANGE OF ZONE 2023-0007 TO INCLUDE AN AFFORDABLE HOUSING OVERLAY ZONE TO THE EXISTING ZONING ON CERTAIN PROPERTIES 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)

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to approve Change of Zone 2023-0007 (CZ2023-0007) to complete the City's rezoning program associated with the Housing Element. CZ2023-0007 will amend the zoning on certain properties to include an Affordable Housing Overlay (AHO) zone in conjunction with the existing zoning to permit high-density residential development. The AHO zone allows residential development or mixed-use development if at least 20% of the total housing units are set aside for lower income. CZ2023-0007 assists the City in meeting its state mandated Regional Housing Needs Assessment (RHNA) required by the Housing Element for planning period 2021-2029.

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Approve CZ2023-0007 as recommended by the Planning and Housing Commission and the Addendum to the Supplemental Environmental Impact Report for the Corona Housing Element Rezoning Program certified on March 1, 2023.
- b. Introduce by title only and waive full reading for consideration of Ordinance No. 3394, first reading of an ordinance approving a change of zone to add an affordable housing overlay zone for various properties to permit high density residential in conjunction with existing zoning. (CZ2023-0007)

**BACKGROUND & HISTORY:**

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 for 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 and General Plan for low-income housing units shall be high density residential that allows up to 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 possible 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 Change of Zone 2023-0007 (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.

**ANALYSIS:**

CZ2023-0007 will add an AHO zone to existing commercial properties. The AHO zone will be in addition to the current zoning on the property. The existing commercial uses and commercial zoning would still apply to the properties. However, 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 identifies the properties that are being zoned to include an AHO zone.

Site Address	Assessor Parcel #	Existing Uses	Acres	Existing Zoning	Proposed Zoning	Surrounding Land Uses
410 River Rd.	119-250-017	Commercial buildings and parking lot	2.66	C2 (Restricted Commercial)	C2 (AHO)	Flood Control Channel, detached single family, apartments, industrial offices.
1540, and 1510-1550 W. 6 <sup>th</sup> St.	103-280-017, 103-280-020	Commercial buildings and parking lot	4.87	C3 (General Commercial)	C3 (AHO)	Commercial and apartments
680 Smith St.	103-280-007	Commercial buildings and parking lot	0.81	C3 (General Commercial)	C3 (AHO)	Commercial and apartments

As approved in phase one of the rezoning program in March 2023, other commercial properties were rezoned to include an AHO zone in addition to the current zoning on the properties. These other sites can be found on the city’s website at [www.CoronaCA.gov/GPUUpdate](http://www.CoronaCA.gov/GPUUpdate).

**FINANCIAL IMPACT:**

CZ2023-0007 is a city-initiated application. No application fee was paid to process this request.

**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.).

**PLANNING AND HOUSING COMMISSION ACTION:**

At its meeting of March 25, 2024, the Planning and Housing Commission considered the subject matter and took the following action:

Motion was made, seconded (Alexander/Longwell) and carried unanimously that the Planning and Housing Commission recommend approval of CZ2023-0007 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 Rezoning Program certified on March 1, 2023. The minutes of the Planning and Housing Commission meeting are included as Exhibit 5.

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

**Attachments:**

1. Exhibit 1 - Ordinance No. 3394
2. Exhibit 2 - Proposed Change of Zone at River Road and Cota Street
3. Exhibit 3 - Proposed Change of Zone at West Sixth Street and Smith Street
4. Exhibit 4 - Planning and Housing Commission staff report
5. Exhibit 5 - Minutes of the Planning and Housing Commission meeting of March 25, 2024