



Staff Report

File #: 24-0196

PLANNING AND HOUSING COMMISSION STAFF REPORT

DATE: 03/25/2024

TO: Honorable Chair and Commissioners

FROM: Planning & Development Department

APPLICATION REQUEST:

CZ2023-0007: Change of zone 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)

RECOMMENDED ACTION:

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 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 zone 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 CHANGE OF ZONE

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. The parcels are also shown in Exhibits 1 and 2.

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 th 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 previously 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>>.

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 CZ2023-0007.

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 regarding the nature of the application and if any projects were being proposed with the request.

STAFF ANALYSIS

The AHO zone 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.

CZ2023-0007 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 FOR APPROVAL OF CZ2023-0007

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. The proposed change of zone is in conformity with the General Plan map and text for the following reasons:
 - a. *General Plan Amendment application GPA2023-0005 is being processed in conjunction with CZ2023-0007 to allow residential associated with the AHO zone as a land use in the General Commercial designation of the General Plan.*
 - b. *CZ2023-0007 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.*
 - c. *CZ2023-0007 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. The subject properties are suitable for the uses permitted by zoning being established by CZ2023-0007 in terms of access, size of parcel, relationship to similar or related uses, for the following reason:
 - a. *The subject properties are mostly infill properties located in developed areas that are supported by existing infrastructure, such as utilities, and improved city streets that can support new development or the redevelopment of existing properties.*
4. The proposed change of zone is necessary and proper at this time, and is not likely to be detrimental to the adjacent property or residents for the following reason:
 - a. *Housing Program 7 of the General Plan Housing Element requires the City to rezone properties to meet its state mandated regional housing need for low- and moderate-income housing units, which is required to be implemented during the Housing Element's eight-year planning cycle (Year 2021-2029).*
 - b. *The properties being rezoned to high-density residential are mostly located within the city's commercial areas that are capable of supporting high density, multifamily residential in conjunction with commercial land uses.*

5. The proposed change of zone is in the interest of the public health, safety, necessity, convenience and general welfare and in accordance with good zoning practice for the following reason:

a. The subject properties are mostly infill properties located in developed areas that are supported by existing infrastructure, such as utilities, and improved city streets, and in proximity to land uses, such as commercial services, and public transportation that are compatible with high density residential.

SUBMITTED BY: JOANNE COLETTA, PLANNING & DEVELOPMENT DIRECTOR

EXHIBITS

1. Property on River Road.
2. Properties on W. Sixth Street and Smith Street.
3. Environmental Documentation.

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