



Staff Report

File #: 23-0086

PLANNING AND HOUSING COMMISSION STAFF REPORT

DATE: 1/23/2023

TO: Honorable Chair and Commissioners

FROM: Planning and Development Department

APPLICATION REQUEST:

ZTA2023-0001: Zone Text Amendment to Title 17 of the Corona Municipal Code to add Chapter 17.31 to establish regulations for an Affordable Housing Overlay Zone.

RECOMMENDED ACTION:

That the Planning and Housing Commission recommend APPROVAL OF ZTA2023-0001 to the City Council, based on the findings contained in the staff report and find that no additional environmental review pursuant to the California Environmental Quality Act (CEQA) is necessary because there are no changes to the project as analyzed in the Supplemental Environmental Impact Report for the Corona Housing Element Rezoning Program.

BACKGROUND

The City's General Plan Housing Element contains goals and polices and housing programs to address the identified housing needs in the City. The City is required to make accommodations that would support the planning and development of housing and more importantly the availability of housing sites for persons with special needs and low and moderate-income households. Housing Program 7 of the Housing Element describes the City's rezoning program, which requires the City to provide adequate sites that can be zoned to accommodate the development of housing to support low and moderate income households.

The City's availability of vacant, undeveloped properties has decreased over the years due to development. It is also especially challenging to find properties suitable for higher density residential, which is crucial in planning enough sites to accommodate low- and moderate-income housing units. Sites suitable for low-income units must have a zoning and General Plan designation that allows a higher density of at least 30 dwelling units to the acre. Moderate income units also can be accounted for in the higher density but can be included in a medium density that allows up to 15 dwelling units to the acre. The City's rezoning program is intended to zone properties that would provide housing opportunities for high density residential that would support the development of low

- and moderate-income housing units.

PROPOSED AMENDMENT

Zone Text Amendment 2023-0001 (ZTA2023-0001) would add Chapter 17.31 to Title 17 of the Corona Municipal (CMC) to establish provisions for an Affordable Housing Overlay (AHO) zone. The purpose of the overlay zone is to designate certain properties as suitable for higher density residential uses in addition to the uses permitted in the underlying zone. The AHO zone is intended to facilitate and provide incentives for the development affordable multifamily housing for low- and moderate-income households, enable the City to meet its housing goals, and ensure that affordable housing developments will be compatible with surrounding land uses by establishing appropriate development standards.

Affordable Housing Requirement

The chapter in its entirety is provided as Exhibit 1 attached to this staff report. Because the AHO zone is an overlay zone, it is intended to support the development of new residential units on properties that may not have been zoned to allow residential. The AHO zone does require that at least 20% of the total number of new residential units be set aside as affordable for low-income households.

Residential development would be allowed in a mixed-use development that contains a combination of multifamily family housing units and non-residential uses. The non-residential uses would be the uses allowed by the underlying zone. For example, a property zoned C-3 (AHO) would be allowed general commercial uses permitted in the C-3 zone with multifamily housing. A mixed-use development would need to provide at least 51 percent of the total floor area of the development with multifamily dwelling units. Additionally, stand-alone multifamily residential development would also be allowed; meaning the site could be developed with 100% residential uses according to the provisions of the AHO zone.

The affordable housing units are required to be constructed concurrently with other housing units within a project, or prior to the construction of market rate units. If the housing project is constructed in phases, a proportionate number of affordable housing units shall be constructed within each phase concurrently with, or prior to, the construction of market rate units.

Development Standards and Design Guidelines

The City prepared as a separate document High Density Residential and Mixed Use Objective Development Standards and Design Guidelines Development standards that are to be applied to residential developments located in the AHO zone. Chapter 17.31 refers to these development standards and design guidelines, which are specifically intended to support the development of high density residential so that the required residential density for projects can be achieved.

The development standards and design guidelines ensure the review of projects remain objective based on the standards adopted by the city.

Approval Process

Residential projects located in the AHO zone are allowed by-right and are not subject to discretionary review. Since the City was not able to identify enough adequate sites within its sites inventory to accommodate the regional housing need for low-income housing units (Corona was allocated a Regional Housing Need of 2,792 low-income housing units), the City is required to rezone properties to meet an adequate inventory of sites. As part of Housing Program 7 (Rezoning Program) of the Housing Element and pursuant to Government Code Section 65583.2(h), the AHO zone will include by-right development for multifamily development that allows at least 20 percent of the units to be set aside for low-income households. Further, residential projects located in the AHO zone are required to adhere to the city's objective development standards and design guidelines that were created for High Density Residential and Mixed-Use Developments.

However, residential projects containing four or more units are required to follow the City's Development Plan Review (DPR) process before building plans and grading plans are submitted to the Planning and Development Department. The City's DPR process is a non-discretionary, pre-submittal process that gives city staff the ability to review the project against the City's ordinances. The process also provides applicants with the requirements that will be verified at the time of plan review for a permit. The purpose of the DPR process is to better facilitate the review of the plan check for building and grading permits.

Residential developments requiring a parcel map or tentative tract map are subject to discretionary review pursuant to Title 16 of the Corona Municipal Code. However, the review is limited to the subdivision being processed.

ENVIRONMENTAL ANALYSIS:

The City prepared a Supplemental Environmental Impact Report (EIR) for the Corona Housing Element Rezoning Program in accordance with the California Environmental Quality Act (CEQA) to evaluate potential environmental impacts associated with the implementation of the City of Corona General Plan Housing Element Rezoning Program Update Project. This document 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.). The Supplemental EIR adequately addresses impacts from minor changes to the Corona General Plan Technical Update 2020 Final EIR certified on June 3, 2020, by the City Council. As required by CEQA, the Supplemental EIR only contains information necessary to analyze the project modifications, changed circumstances, or new information that triggered the need for additional environmental review. The Supplemental EIR only contains the information necessary to make the previous EIR adequate for the project as revised. The Supplemental EIR indicated that the Housing Element Rezoning Program will not result in impacts not already identified in the Corona General Plan Technical Update 2020 Final EIR

FISCAL IMPACT

ZTA2023-0001 is a city-initiated application. No application fee was paid to process this request.

PUBLIC NOTICE AND COMMENTS

A 20-day public notice was mailed to all property owners within a 500-foot radius of properties that were being rezoned by CZ2022-0003 to include an AHO zone as well as advertised in the Sentinel

Weekly. As of the preparation of this report, staff has received several emails and phone calls from property owners near sites being rezoned or from owners that have property being rezoned. Most of the calls required further clarification on the permitted land uses under the rezoning program and if the existing land uses on the properties affected by the rezoning are allowed to be continued. Staff confirmed that existing land uses are allowed to remain on the property and that the rezoning program is an opportunity for redevelopment to allow housing should the owner decide to exercise that option in the future.

STAFF ANALYSIS

The Housing Element Rezoning Program is a planning requirement that establishes a path for the development of housing units in accordance with the City's mandated regional housing need. It does not guarantee that housing will be developed on all the properties identified in the housing sites inventory with an Affordable Housing Overlay zone. Future development on these properties and in most cases the redevelopment of these properties will be determined by market conditions. At the same time however, the city needs to maintain land that can support the development of residential units based on the regional housing need during the eight- year period of the current Housing Element. The AHO zone provides the City with the ability to rezone properties that potentially could be redeveloped with high-density residential development to support the planning of low- and moderate-income housing units. The AHO zone does not eliminate the underlying zoning of properties but provides the flexibility for properties to be developed as mixed-use project consisting of residential and non-residential uses or as a stand-alone residential project.

FINDINGS FOR APPROVAL OF ZTA2023-0001

1. The City prepared a Supplemental Environmental Impact Report (EIR) for the Corona Housing Element Rezoning Program in accordance with the California Environmental Quality Act (CEQA) to evaluate potential environmental impacts associated with the implementation of the City of Corona General Plan Housing Element Rezoning Program Update Project. This document 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.). The Supplemental EIR adequately addresses impacts from minor changes to the Corona General Plan Technical Update 2020 Final EIR certified on June 3, 2020, by the City Council. As required by CEQA, the Supplemental EIR only contains information necessary to analyze the project modifications, changed circumstances, or new information that triggered the need for additional environmental review. The Supplemental EIR only contains the information necessary to make the previous EIR adequate for the project as revised. The Supplemental EIR indicated that the Housing Element Rezoning Program will not result in impacts not already identified in the Corona General Plan Technical Update 2020 Final EIR
2. The proposed amendment is consistent with the General Plan for the following reasons:
 - a. *ZTA2023-0001 is consistent with Goal H-1 because it establishes a zoning designation that can be used 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. *ZTA2023-0001 is consistent with Policy H-1.5 because it creates a zoning designation along with commensurate development standards that encourage flexibility in permitted land use types that respond to changing market forces and provide opportunities for higher density residential development, mixed-use residential/commercial development, and transit oriented residential development in appropriate areas of the City.*

3. The proposed amendment is consistent with intent of Title 17 of the Corona Municipal Code for the following reason:

- a. *Title 17 of the Corona Municipal Code is the city's Zoning Code which includes zoning with commensurate development standards, which is consistent with the information proposed by ZTA2023-0001 to establish a new zoning designation with supporting development standards.*

4. The proposed amendment will provide for the public health, safety, and welfare for the following reason:

- a. *ZTA2023-0001 includes development standards that are intended to provide orderly development of property that is developed pursuant to the AHO zone.*

SUBMITTED BY: JOANNE COLETTA, PLANNING & DEVELOPMENT DIRECTOR

EXHIBITS

1. Exhibit 1 - Proposed CMC Chapter 17.31
2. Exhibit 2 - Supplemental EIR available at www.CoronaCA.gov/GPUupdate <<http://www.CoronaCA.gov/GPUupdate>>.

Case Planner: Joanne Coletta (951) 736-2262

CHAPTER 17.31

AFFORDABLE HOUSING OVERLAY ZONE

17.31.010	Purpose and intent.
17.31.020	Definitions.
17.31.030	Designation.
17.31.040	Permitted uses.
17.31.050	Prohibited uses.
17.31.060	Approval process.
17.31.070	Development standards.
17.31.080	Design guidelines.
17.31.090	Walls, fences and landscaping.
17.31.100	Trash enclosures.
17.31.110	Solid waste handling.
17.31.120	Density.
17.31.130	Dedications and improvements.
17.31.140	Affordable housing requirements.

17.31.010 Purpose and intent.

The purpose of the Affordable Housing (AH) Overlay Zone is to designate certain properties as suitable for higher density residential uses in addition to any uses permitted and existing in the underlying zone. It is intended to facilitate and provide incentives for the development of affordable multifamily housing for low income and moderate households, enable the city to meet its housing goals, and ensure that affordable housing developments will be compatible with surrounding land uses by establishing appropriate development standards.

17.31.020 Definitions.

Unless the particular provision or the context otherwise requires, the definitions and provisions contained in this section shall govern the construction, meaning and application of words and phrases used in this chapter. Unless the context otherwise clearly indicates, words used in the singular include the plural and words used in the plural include the singular.

(A) “**Affordable housing cost**” has the same meaning as set forth in Health and Safety Code § 50052.5, as presently adopted or as amended or superseded.

(B) “**Affordable rent**” has the same meaning as set forth in Health and Safety Code § 50053, as presently adopted or as amended or superseded.

(C) “**Affordable unit**” means a multiple dwelling unit within a housing development project that is rented or sold to a lower income household or a moderate income household at an affordable rent or affordable housing cost pursuant to § 17.31.140 of this chapter.

(D) **“Housing development project”** means a project within the AH Overlay Zone consisting of a mixed-use development or the development of multiple dwelling units that is subject to the requirements of this chapter.

(E) **“Lower income household”** has the same meaning as set forth in Health and Safety Code § 50079.5, as presently adopted or as amended or superseded.

(F) **“Mixed-use development”** means a development within the AH Overlay Zone consisting of a vertical or horizontal combination of multiple dwelling units and a non-residential use that is permitted or conditionally permitted in the underlying zone as part of a single development application.

(G) **“Moderate income household”** has the same meaning as set forth in §6930 of Title 25 of the California Code of Regulations.

17.31.030 Designation.

A property designated within the AH Overlay Zone shall be designated on the official Zone Map of the City by adding the abbreviation “AHO” to the underlying zone of the property.

17.31.040 Permitted uses.

(A) **Permitted uses.** The following uses shall be permitted in the AH Overlay Zone, subject to the requirements of this chapter:

- (1) Multiple dwelling units;
- (2) Mixed-use development where at least fifty-one percent (51%) of the total floor area of the development is developed with multiple dwelling units;
- (3) Accessory structures;
- (4) Animals up to following maximum numbers:
 - (a) Three weaned cats;
 - (b) Three weaned dogs;
- (5) Home occupations;
- (6) Parks and recreation areas subject to the provisions of Chapter 12.24;
- (7) Manufactured housing on a permanent foundation system subject to the provisions of Chapter 17.81;
- (8) Accessory dwelling units, subject to the provisions of Chapter 17.85;
- (9) Similar uses permitted by Commission determination pursuant to Chapter 17.88.

(B) **Permitted uses in underlying zone.** Uses permitted or conditionally permitted in the underlying zone shall continue to be permitted or conditionally permitted and shall not be subject to the provisions of this chapter, unless such uses are part of a mixed-use development.

17.31.050 Prohibited uses.

Any use not specified in § 17.31.040 shall be prohibited in the AH Overlay Zone.

17.31.060 Approval process.

(A) **By right approval.** Housing development projects that comply with the requirements of this chapter are permitted by right; provided that, to the extent required for the project, the approval of tentative tract maps or parcel maps shall be subject to discretionary review pursuant to Title 16 of this code.

(B) **Development plan review.** Notwithstanding subsection (A) above, housing development projects that comply with the requirements of this chapter and consist of the development of four (4) or more new multiple dwelling units shall be subject to development plan review pursuant to Chapter 17.102 of this code.

17.31.070 Development standards.

The High Density Residential and Mixed-Use Objective Development Standards, as adopted by resolution of the City Council, shall apply to all housing development projects, as defined in § 17.31.020.

17.31.080 Design guidelines.

The High Density Residential and Mixed-Use Objective Design Guidelines, as adopted by resolution of the City Council, shall apply to all housing development projects as defined in § 17.31.020, unless the housing development project is located within a specific plan, in which case the design guidelines set forth in the specific plan shall apply.

17.31.090 Walls, fences and landscaping.

The provisions of Chapter 17.70 and the High Density Residential and Mixed Use Objective Design Guidelines shall apply to all housing development projects, as defined in § 17.31.020. In the event of a conflict between the provisions of Chapter 17.70 and the High Density Residential and Mixed-Use Objective Design Guidelines, the High Density Residential and Mixed-Use Objective Design Guidelines shall control.

17.31.100 Trash enclosures.

The provisions of Chapter 17.79 shall apply to all housing development projects, as defined in § 17.31.020.

17.31.110 Solid waste handling.

The provisions of Chapter 8.20 shall apply to all housing development projects, as defined in § 17.31.020.

17.31.120 Density.

The density of housing development projects shall be as established by the General Plan land use designation density range applicable to the property where the project occurs.

17.31.130 Dedications and improvements.

All housing development projects shall provide for the dedications of land, rights-of-way and easements, payment of fees and construction of all offsite and on-site improvements as required by applicable provisions of this code, currently including Chapters 15.48, 16.08 and 16.24.

17.31.140 Affordable housing requirement.

(A) **Affordable units.** To be eligible for the provisions of this chapter, at least twenty percent (20%) of all units within the housing development project shall be rented or sold to lower income households. In calculating the required number of affordable units, all fractional units shall be rounded up to the next whole number.

(B) **Affordable rent or housing cost.** The affordable units shall be sold or rented at an affordable housing cost or affordable rent.

(C) **Timing of construction.** The affordable units shall be constructed within the housing development project concurrently with, or prior to, the construction of any market rate units; provided that if the housing development project is developed in phases, a proportionate number of affordable units shall be constructed in each phase concurrently with, or prior to, the construction of any market rate units in that phase.

(D) **Quality.** The affordable units shall be constructed with the same quality of design, appearance, materials and finishes as any market rate units.

(E) **Size.** The size of the affordable units and the number of bedrooms and different unit plan types shall be as provided in the High Density Residential and Mixed-Use Objective Development Standards, as adopted by resolution of the City Council.

(F) **Regulatory agreement.** A legally binding regulatory agreement, in a form approved by the city attorney, shall be executed and recorded against the property on which the housing development project is to be constructed to ensure continued affordability of the affordable units for a period of not less than thirty (30) years. The regulatory agreement shall be recorded against the property prior to the recordation of any final map or the issuance of building permits for the housing development project, whichever comes first. The regulatory agreement shall be binding on all future owners and successors in interest. The City Manager shall be authorized to execute the regulatory agreement on behalf of the city.

Exhibit 2

Supplemental EIR available at:

www.CoronaCA.gov/GPUpdate <<http://www.CoronaCA.gov/GPUpdate>>.