

Staff Report

PLANNING AND HOUSING COMMISSION STAFF REPORT

DATE: 5/8/2023

TO: Honorable Chair and Commissioners

FROM: Planning and Development Department

APPLICATION REQUEST:

ZTA2023-0002: Amendment to Title 17 of the Corona Municipal Code to amend the permitted land uses in the commercial zones listed in Chapter 17.33 and Chapter 17.35 to allow residential land uses pursuant to Senate Bill 6 and Assembly Bill 2011. (Applicant: City of Corona)

RECOMMENDED ACTION:

That the Planning and Housing Commission recommend **ADOPTION OF ZTA2023-0002** to the City Council, based on the findings contained in the staff report.

BACKGROUND

California Senate Bill 6 (SB 6) is named the Middle-Class Housing Act of 2022 and California Assembly Bill 2011 (AB 2011) is named the Affordable Housing and High Road Jobs Act of 2022. Both bills were signed by the Governor on September 28, 2022 and become effective July 1, 2023.

Both bills allow high density residential housing on property zoned to allow office, retail or parking. High density residential housing would be allowed by-right and does not require the zoning or the General Plan of the property to be changed. There are subtle differences between the bills and the following table describes the requirements of each bill.

SB 6	AB 2011
Allowed on property zoned to allow office, retail and parking	Allowed on property zoned to allow office, retail and parking
NO affordable housing required	Affordable housing required



Housing developments can include: a) Residential only, and b) Mixed Use, if 50% or more square feet is designated residential and no lodging uses like a hotel.	Housing developments can include: a) 100% affordable residential units, and b) Mixed income housing (rental housing requires 8% and 5% of units for low income and extremely low income, respectively; owner occupied housing requires 30% of units for moderate income or 15% for low income)
Property is 20 acres or less	Property is 20 acres or less for mixed income housing.
Residential density is at least 30 dwelling units/acre	Residential density is at least 30 dwelling units/acre if the site is less than one acre, but the minimum density increases if the size and width of the site is greater.
The city's zoning standards of the applicable residential density shall apply.	The city's zoning standards of the applicable residential density shall apply; however, other objective development standards under the bill apply to mixed income housing.
	Not on a site adjacent to a site where one-third of the square footage is dedicated to industrial
	Property shall not be within 500 feet of a freeway.
	75% of the perimeter of the site adjoins parcels that are developed with urban uses.
	Property deed restricted to maintain affordable housing units: a) Rental units: 55 years b) Owner-occupied: 45 years
	Requires ministerial streamlined review.
Requires the use of skilled and trained workforce (prevailing wage) for construction.	Requires the use of skilled and trained workforce (prevailing wage) for construction, and for projects with more than 50 units, an apprenticeship program must be provided.

Additional Development Standards

Mixed-income housing using AB 2011 also requires property to abut a commercial corridor and have a property frontage of 50 feet or more on a commercial corridor. As defined by the bill, a commercial corridor means a highway that is not a freeway defined by the Vehicle Code and has a right-of-way of at least 70 feet and no greater than 150 feet.

Because Corona is within a Metropolitan Statistical Area that has a population greater than 2.0 million, the minimum residential density that shall be allowed is 30 dwelling units per acre (du/ac) for SB 6 and for 100% affordable housing using AB 2011.

The density for a housing development project that is mixed income using AB 2011 is 30 du/ac on sites less than one acre but increases to 40 du/ac if the site is equal to or greater than one acre and

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has a site width less than 100 feet, and increases to 60 du/ac if the site is equal to or greater than one acre and has a site width of 100 feet or greater. However, all mixed income sites within a $\frac{1}{2}$ mile of a major transit stop are allowed 80 du/ac regardless of the size.

AB 2011 regulates the building height of a mixed income project which allows a building height of 35 feet on sites that have a width less than 100 feet. The building height increases to 45 feet on sites that have a width of 100 feet or greater and increases to 65 feet on sites within a ¹/₂ mile of a major transit stop and in a city with a population greater than 100,000.

A mixed income project using AB 2011 requires parking to have a minimum setback of 25 feet from a commercial corridor, but the building is allowed a minimum setback of 0 feet. In situations where the property line abuts property that contains residential the setback of the ground floor shall be no less than 10 feet and the second and subsequent floors shall be stepped back in an amount equal to seven feet multiplied by the floor number. If the site is along a property line that abuts a site with no residential use, the setback shall be a minimum of 15 feet and the amount required to be stepped back may be decreased by the city.

The city's parking requirements for multi-family housing would apply to SB 6 and a 100% affordable housing project using AB 2011 if the project is not in conflict with AB 2097. However, no parking is required for a mixed-income project using AB 2011.

AB 2097 became effective on January 1, 2023, and prohibits minimum parking requirements on a residential, commercial or other development project if the project is located withing ½ mile of a major transit stop. A major transit stop means an existing rail or bus rapid transit station and the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during morning and afternoon peak commute periods.

City Council Study Session

At the City Council study session on April 19, 2023, staff provided an overview of SB 6 and AB 2011 to the Council. Staff also recommended that the Council allow staff to apply the city's Affordable Housing Overlay (AHO) zone requirements to a housing development within a commercial zone allowed by SB 6. SB 6 does not prevent the city from requiring inclusionary housing, which is the same as a mixed income housing development where a percentage of the total units are set aside for affordable incomes. The city is proposing to apply its AHO zone requirement to housing developments that would qualify using SB 6, which would require a housing development project to set aside 20% of the total housing units for low-income households. This would be similar to AB 2011, which requires affordable housing as part of a housing development and with other commercial properties within the city that have been rezoned with an AHO to accommodate the city's regional housing need in the Housing Element. The City Council concurred with staff's recommendation which is the reason for ZTA2023-0002.

PROPOSED AMENDMENT

ZTA2023-0002 will amend Chapters 17.33 and 17.35 of the Corona Municipal Code. Chapter 17.33 regulates Commercial Zones not within a specific plan that includes the C-P (Commercial Office) zone, C-2 (Restricted Commercial) zone and C-3 (General Commercial) zone. Chapter 17.35

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regulates the Quasi-Public (QP) zone not within a specific plan.

ZTA2023-0002 will add language to the permitted land uses section in each chapter to permit residential pursuant to SB 6 subject to the requirements set forth in Corona Municipal Code Chapter 17.31, Affordable Housing Overlay Zone. Language will also be added to permit residential pursuant to AB 2011. Residential development allowed per AB 2011 will not be subject to the city's AHO zone since this law already requires affordable housing.

Exhibit 1 shows the redlines proposed to Section 17.33.030 and Section 17.35.020. SB 6 is referenced as Cal Gov't Code §65852.24 and AB 2011 is referenced as Cal Gov't Code §65912.100. Residential is being added as a permitted land use to the C-P, C-2, and C-3 zones with the following footnotes. The same language is also being added to the QP zone permitted uses section, but not as a footnote.

¹<u>Residential permitted for a housing development project proposed pursuant to Cal Gov't Code § 65852.24</u> <u>subject to the requirements set forth in Corona Municipal Code Chapter 17.31.</u>

²<u>Residential permitted for a housing development project proposed pursuant to Cal Gov't Code 65912.100.</u>

ENVIRONMENTAL ANALYSIS:

The California Legislature has determined that a local ordinance adopting the provisions of Senate Bill 6 and Assembly Bill 2011 is not considered a project under Division 13 (commencing with Section 21000) of the Public Resources Code and therefore not subject to review by the California Environmental Quality Act (CEQA).

FISCAL IMPACT

ZTA2023-0002 is a city-initiated application. No application fee was paid to process this request.

PUBLIC NOTICE AND COMMENTS

A 10-day public notice advertised in the Sentinel Weekly News. Since the preparation of this staff report, staff has not received correspondence from the public.

STAFF ANALYSIS

The city's General Plan Housing Element focuses on housing programs that would support the development of various housing types and provide housing for all economic segments of the city. Providing adequate sites is one way to achieve a variety and diversity of housing. ZTA2023-0002 allows the city to require mixed-income housing as part of a housing development using SB 6 in the city's commercial zones. The city is not prevented from requiring inclusionary housing with the enactment of SB 6 and the amendment would ensure adequate sites and the city's housing sites inventory are set aside to provide a balance of housing types for all income levels. The application of the AHO zone requirement on commercial sites is also consistent with the commercial properties that were rezoned by the city to include an AHO for the city's housing sites inventory. As such, the commercial properties not part of the city's housing sites inventory would bear some responsibility in providing affordable housing like the sites identified on the city's housing sites inventory for affordable housing.

FINDINGS FOR APPROVAL OF ZTA2023-0002

The proposed amendment is consistent with the General Plan for the following reason:

a. ZTA2023-0002 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.

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

- a. ZTA2023-0002 requires the objective zoning standard of the AHO zone to be used on commercially zoned properties that are allowed to be developed with high density residential using SB 6.
- *b.* ZTA2023-0002 clarifies the residential land uses that would be permitted on the commercially zoned properties listed in Chapter 17.33 and Chapter 17.35.

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

a. ZTA2023-0002 requires the objective development standards of the AHO zone to be applied to a housing development using SB 6, which is to provide for orderly development that maintains the quality of existing neighborhoods.

SUBMITTED BY: JOANNE COLETTA, PLANNING & DEVELOPMENT DIRECTOR

EXHIBITS

1. Proposed Redlines to Corona Municipal Code Chapter 17.33 and Chapter 17.35

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

Zoning Code Amendment

Corona Municipal Code, Title 17

Chapter 17.33, Commercial and Office Zones

17.33.030 Permitted; conditionally permitted uses; prohibited uses.

TABLE 1-17.33 PERMITTED LAND USES

"Р"	Permitted use.
"CUP"	Permitted with a conditional use permit issued in accordance with <u>Chapter</u> 17.92 of the Corona Municipal Code (conditional use permit).
"MCUP"	Denotes a use which is subject to the minor conditional use permit procedure only.
"NP"	Use not permitted.
"BZA"	Use subject to approval by the Board of Zoning Adjustment.

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<u>Residential permitted for a housing development project proposed pursuant to Cal Gov't Code § 65852.24 subject to the requirements set forth in Corona Municipal Code Chapter 17.31.</u>
 <u>Residential permitted for a housing development project proposed pursuant to Cal Gov't Code § 65912.100.</u>

Chapter 17.35, Quasi-Public Zone

17.35.020 Permitted uses and structures.

(D) Residential Uses

(1) A -housing development project proposed pursuant to Cal Gov't Code § 65852.24, subject to the requirements of Corona Municipal Code Chapter 17.31
(2) A -housing development project proposed pursuant to Cal Gov't Code § 65912.100.

