

Agenda Report

TO: CITY COUNCIL

DATE: MARCH 6, 2006

FROM: CITY MANAGER

SUBJECT: ZONING CODE AMENDMENT TO MODIFY DENSITY BONUS PROVISIONS

RECOMMENDATION

It is recommended the City Council, following a public hearing:

1. Adopt the Initial Study and Negative Declaration (Attachment D);
2. Find that the proposed amendment to Title 17 of the Pasadena Municipal Code is consistent with the goals, policies, and objectives of the General Plan as contained in this report;
3. Approve an amendment to Title 17 specifying how the City of Pasadena complies with the State of California law concerning density bonuses, as described below;
4. Direct the City Attorney to prepare an ordinance amending Title 17 as described below and return within 60 days for first reading.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission approved the staff recommendation that the City Council approve the amendment to the Zoning Code.

EXECUTIVE SUMMARY

The Pasadena Municipal Code currently does not reflect changes to density bonus law that became effective in 2003, 2005 and 2006. Under State law, a local jurisdiction is required to adopt an ordinance specifying how it complies with these laws. The City generally has no discretion regarding the approval of density bonus units and only limited discretion in the granting of concessions and incentives, as well as the waiving of development standards, under State law. However, the City does have the ability to specify procedures for application, review, and fees. Staff recommends that requests for concessions and incentives, as well as for the waving of development standards, be processed in a manner that follows the procedure for a minor condition use permit, except with different findings and the requirement for a financial study.

BACKGROUND

Density Bonus Units

For projects that include certain numbers of affordable or senior housing units, State law requires that a local jurisdiction provide a density bonus in the number of units that may be constructed on a site. Projects that involve donation to the City of land for affordable housing or provide onsite childcare also qualify for a density bonus. (See Attachments A and B.) The City has no discretion in approving these units. The applicant indicates on the project application that density bonus units are included and initial review occurs during preliminary plan check and Pre-Application Conference. The final density of projects, including density bonus units, is reviewed during plan check for the building permit.

Concessions or Incentives

State law requires that the City grant from one to three concessions or incentives to projects that qualify for a density bonus, depending on the income level at which units are affordable and the percentage of affordable units. (See Attachment A). The law allows an applicant to submit a proposal and to request a meeting with the local jurisdiction regarding their requests. The local jurisdiction "shall grant the concession or incentive requested by the applicant," unless it makes a written finding that 1) the concession or incentive is not required in order for the designated units to be affordable, or 2) the concession or incentives would have a "specific adverse impact" on health, safety or the physical environment or an adverse impact on an historic resource listed in the California Register of Historic Resources.

Staff recommends that the City adopt requirements and procedures for meeting with applicants regarding requests for concessions or incentives as described in Attachment A, like those for a minor conditional use permit except that the findings differ and a financial study is required. The applicant shall submit a financial study showing the relationship between the proposed concession(s) or incentive(s) and the affordability of the designated units. As with minor CUPs, the application will be placed on the consent calendar for a Hearing Officer, unless a hearing is specifically requested. The Hearing Officer shall approve the application with or without conditions, unless a written finding can be made as referenced above.

Staff further recommends clarification of the term "specific adverse impact" in relation to historic structures. See Attachment C for a more detailed analysis of the finding concerning a "specific adverse impact."

Waiver or Modification Development Standards

State law also requires the City to establish procedures for waiving or modifying any development standard that would otherwise inhibit the utilization of the density bonus on specific sites. The waiver, or modification, of a development standard is in addition to the concessions and incentives described above, and without limit to the number. The applicant for a proposed waiver or modification must submit a financial study showing the relationship between the proposed waiver(s) or modification(s) and the feasibility of the project, to determine whether the development standard has the effect of precluding

construction. Any proposed waiver or modification that meets the State law requirement must be approved.

Staff recommends that the procedures for waiving or modifying development or zoning standards be the same as those described above for concessions and incentives, except that the findings for denial of a waiver or modification differ and the financial study shall address the waiver or modification. Denying a request that the City waive or modify a development standard does not involve the findings that are necessary for denying a concession or incentive. Rather, the Hearing Officer is not required to grant approval of a proposed waiver or modification if there is a determination that the standard does not have the effect of precluding the construction of the development at a density that includes the bonus units and any concession(s) or incentive(s) that are approved.

Rather than determining that the standard does *not* have the effect of precluding construction, as a basis for the denial the Hearing Officer may find that there would be a specific adverse impact to health, safety, or the physical environment, or an adverse impact to property listed in the California Register of Historical Resources.

Parking Requirements for Qualifying Projects

Projects that qualify for a density bonus also qualify for different parking requirements. For zero and one-bedroom units, the requirement is one onsite space; for two and three bedroom units, it is two onsite spaces; for four or more bedrooms, it is two and one-half spaces. Onsite parking may be provided through tandem parking or uncovered spaces. Parking may be reduced beyond these requirements as a concession or incentive. These requirements differ from the City's Zoning Code, which requires covered spaces and sets requirements based on location and floor area of units, however the State standards must be applied to projects that meet the requirements of State density bonus law.

ENVIRONMENTAL REVIEW

An Initial Study and Negative Declaration were prepared. Adoption of the amendment to Title 17 specifying how the City implements Section 65915 involves no potential significant impacts.

GENERAL PLAN CONSISTENCY

The proposed amendment is consistent with the General Plan in that, the Land Use Element recognizes the availability of a density bonus and incentives for projects including affordable and senior citizen units (page 33). Objective 3 states: Encourage the retention and creation of affordable housing throughout Pasadena by providing sufficient land and densities to develop new affordable housing (page 10).

FISCAL IMPACT

Approval of the recommended amendment of Title 17 will have no fiscal impacts. Fees are collected to cover the costs associated with the entitlement and plan check process.


Respectfully submitted,


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Attachments

- A. Specific Provisions for Density Bonus Amendment
- B. Table of Density Bonus Calculations
- C. Specific Adverse Impact
- D. Draft Initial Study and Negative Declaration