

Agenda Report

TO: CITY COUNCIL

DATE: May 6, 2003

THROUGH: LEGISLATIVE POLICY COMMITTEE MAY 6, 2003

FROM: CITY MANAGER

SUBJECT: OPPOSITION TO AB 1160 (STEINBERG) REGARDING SECOND UNITS,
DENSITY BONUS, AND HOUSING ON SCHOOL SITES

RECOMMENDATION

It is recommended that the City Council:

1. Oppose AB 1160 (Steinberg), which imposes numerous restrictions on local second unit ordinances, reduces parking standards by up to 33 percent on density bonus projects, and establishes housing as a permitted use on all public school sites; and
2. Authorize the Mayor to send letters to the appropriate authorities conveying Pasadena's position on this matter.

BILL SUMMARY

The intent of Assembly Bill 1160 is to increase the production of housing by mandating additional requirements for second units, allowing for reductions in parking for density bonus projects, and requires that housing be a permitted use on all public school property. As currently drafted, the major components of the Bill are as follows:

Second Units:

- Require local governments to permit second units in all residential districts, but allows them to impose greater restrictions in certain zones;
- Tighten the regulations regarding the prohibition of second units by requiring that an ordinance that prohibits second units must make specific findings that a specific, adverse impact will result and that there is substantial evidence in the record;
- Prohibit local government from restricting the rent or income of occupants, or occupancy based upon age, unless required by a local rent control ordinance, or inclusionary zoning policies;
- Establish a minimum size of 400 square feet and a maximum size of 1,200 square feet;
- Prohibit a local ordinance from requiring more than one parking space for every two bedrooms, prohibit a local ordinance from requiring covered parking; require off-street, on-street and tandem parking to be permitted.

Density Bonus:

Require local governments to grant a 25 percent reduction in parking standards, and a 33 percent parking reduction if the project is within a quarter mile of a rail station, or at the intersection of two or more major bus routes.

School Sites:

Establish a policy that multifamily and single-family residential uses are a permitted use on all parcels zoned or developed for public schools. Multifamily densities are required to be the highest permitted density of any parcel within 300 feet, or highest residential density on the nearest parcel zoned for multifamily housing.

BACKGROUND

The proposed bill would have negative impacts to Pasadena by establishing additional mandates that would further limit localities to address land use issues associated with second units. It also requires localities to provide an additional incentive for the construction of affordable housing through reductions in parking requirements. Current State law already allows for waivers of development standards as an incentive for affordable housing. The bill will require school property to be zoned for multifamily uses at the highest density on the nearest parcel zoned for multifamily development contrary to the City's PS (public, semi-public zoning). This bill is an invasion on the part of the State into local land use decisions and local control.

Second Units:

This bill proposes a series of additional measures and state mandates that would further limit local ability to address zoning, parking, unit size and other issues associated with second units on single-family lots. It would make it more difficult for a City to prohibit second units by requiring more stringent requirements before a City can adopt a prohibition on second units. The bill establishes a minimum size for second units of 400 square feet and a maximum size of 1,200 square feet. It prohibits a local ordinance from requiring more than one parking space for every two bedrooms, and prohibits a local ordinance from requiring covered parking. It requires off-street, on-street and tandem parking to be permitted.

Density Bonus:

The revision to the density bonus law specifically requires that a City provide as an incentive a 25 percent reduction in the parking standards for any multifamily project and a 33 percent reduction in parking for project that are within a quarter mile of a light rail station or the intersection of two or more major bus routes. This requirement is in addition to the existing provisions that allow for the waiver of development standards as an incentive for the construction of affordable housing. The purpose of this provision is unclear as current State law already allows for a waiver of development standards (including parking) as an incentive for constructing affordable housing.

School Property:

The bill would require that school property be zoned such that multifamily residential is a permitted use. Multifamily densities are required to be the highest permitted density of any parcel within 300 feet, or highest residential density on the nearest parcel zoned for multifamily housing. This is inconsistent with the City's PS (public, semi-public) zoning which does not

allow multifamily residential uses unless it is part of an institutional use. This proposed law could result in dense multifamily projects in predominately single-family areas. It removes the ability of the City to determine the appropriate density of a project after a school site is no longer used as for educational purposes.

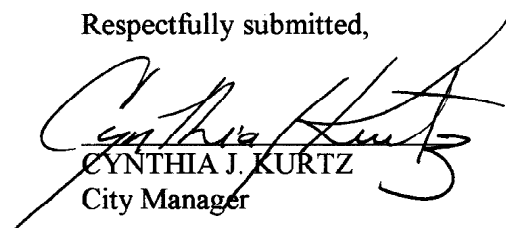
The bill was introduced by Assemblyman Darrell Steinberg (Sacramento), and is opposed by the League of California Cities.

FINANCIAL IMPACT

If more second units were permitted within the City, some property values would increase which would cause an increase in related property taxes at the time of sale, however, due to increased population density, there would be a concomitant increase in the demand for City services and impact upon the infrastructure surrounding the second units which would offset any increase in potential property tax revenues.

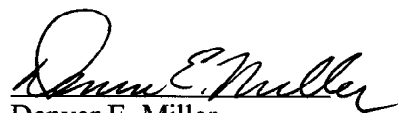
The impact of developing school district properties into multi family projects would be speculative at this time, since the number of units and proposed time of development are unknown.

Respectfully submitted,



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