

Agenda Report

TO: CITY COUNCIL

DATE: AUGUST 9, 1999

FROM: CITY MANAGER

SUBJECT: SECOND UNITS WITHIN SINGLE-FAMILY RESIDENTIAL DISTRICTS

CITY MANAGER RECOMMENDATION: It is recommended that, following a public hearing, the City Council:

1. Direct staff to amend the General Plan Land Use and Housing Elements, and Consolidated Plan, removing or modifying the language of any policy, objective, program, or statement referencing the encouragement or plan for developing or establishing second units in areas zoned for single family in order that the City Council can consider adopting a new ordinance prohibiting second dwelling units.
2. Direct staff to reexamine second units within single-family residential districts as a part of the General Plan update.

EXECUTIVE SUMMARY

Before the City Council is a proposed change in policy regarding second units. Both the Land Use and Housing Elements of the General Plan establish as policy the enactment of an ordinance allowing second units in single-family zones. Staff has drafted a proposed ordinance that would allow second units through a conditional use permit but limited to large lots and specific zoning districts. The Planning Commission reviewed this proposal and decided that a second unit ordinance would lead to overcrowding, increased traffic, and potentially alter the character of single-family neighborhoods. Thus, the Planning Commission's and City Manager's recommendation is that the City revise its Land Use and Housing Elements to remove any references to enacting a second unit ordinance and establish a new ordinance that would prohibit second units within the City. An ordinance prohibiting second units cannot be adopted until the General Plan is amended because such an ordinance needs to be consistent with the General Plan. According to the Housing and Development Department second units as an affordable housing tool was not translated into an actual objective or goal of the City within the City's Comprehensive Plan. Thus, the potential difficulty in acquiring affordable housing money due to this policy/ordinance to prohibit second units is not likely.

BACKGROUND

In 1983, the City adopted an ordinance prohibiting second units based on findings that specific adverse impacts on the public health, safety, and welfare would result from allowing second units within residential areas (see Exhibit "A" ordinance #6021). In 1989, the City of Pasadena Housing Element of the General Plan was revised, in response to the need for affordable housing, to include the possibility of adopting a second unit ordinance based upon State law. In the early 1990's, the City Council reaffirmed this approach to affordable housing as part of the Land Use and Mobility element revisions. In 1996, at the request of the Director of Planning and Permitting staff began the work of amending the zoning code to implement the Land Use and Housing Elements of the General Plan.

On October 22, 1996, staff conducted a community meeting to introduce the General Plan (Housing Element) second unit policy/objective to the public and to receive input. A majority of the meeting participants expressed opposition to second units within single-family residential districts. The public feared that single-family neighborhoods would soon transform into an undesired multifamily residential district leading to impacts such as parking, infrastructure, slum housing, code violations, and declining property values.

In the fall of 1997, staff learned that ordinance #6021 (see exhibit "A"), prohibiting second units, was adopted however never codified. The City Attorney suggested that an appropriate measure would be to adopt a new ordinance prohibiting second units incorporating new applicable legislation and to codify this ordinance accordingly.

The Planning Commission on February 25, 1998 held a workshop. Staff presented the various options available: 1) adopt an ordinance allowing the development/establishment of second units within single-family residential districts via the approval of a conditional use permit or 2) prohibition of second units. The Planning Commission asked staff to review the option of prohibiting second units. In addition, they also asked for additional information regarding the potential impacts of second units, what adjacent cities have second unit ordinances and how many units were approved under these cities' ordinances. On April 22, 1998, staff presented to the Planning Commission the information they requested that addressed the concerns of the public and the Planning Commission (see exhibit "B"). The Planning Commission then requested that staff draft up appropriate findings prohibiting the development/establishment of second dwelling units on single-family residential zoned lots.

On September 9, 1998, the Planning Commission voted to recommend that the City Council adopt new findings prohibiting second units on residential single-family zoned lots. This recommendation also included a recommendation to initiate a Land Use and Housing Element amendment to establish consistency with the prohibition of second units. This is because before the Council can adopt a new ordinance prohibiting second units, the General Plan and specifically the Housing and Land Use Elements must be amended so that a finding of

consistency with the General Plan can be made. This second unit issue and the Planning Commission recommendation was presented to the Northwest Commission in October 1998, whereby the Northwest Commission expressed their concurrence with the Planning Commission recommendation.

It should be noted that the Pasadena-Foothills Association of Realtors have issued a letter to the City indicating that they neither support or oppose the consideration of developing/establishing second units within single-family residential districts via the approval of a conditional use permit.

ANALYSIS

In the late 1980's the City Council considered different options to address affordable housing concerns as part of the revision to the Housing Element. The Council used the second unit option as one of its tools to address this issue as part of its update. As part of this policy direction from the Council staff undertook to study of other cities' second unit ordinances and learned that the intent of such ordinances is to allow second units but to minimize the impact of such uses. Staff drafted a second unit ordinance that minimized the potential impacts of additional units especially within the Northwest community. In addition, this ordinance reflects changes in State law since 1983. The draft second unit ordinance limits the consideration of second units on lots that exceed 15,000 square feet and within the RS-1, RS-2, and RS-4 zoning districts only. Some further criteria include 1) limiting unit size, 2) requiring that one of the units be owner occupied, 3) limiting the number of persons that can reside in a second unit, and 4) a non-visible entrance. This draft second unit ordinance is sensitive to and addresses other issues as follows: a) enforcement and public participation provisions, b) aesthetics and light and air, c) parking, and d) construction of second units within hillside areas. While this report is not recommending adoption of a second unit ordinance, the April 22, 1998 (Exhibit B) Planning Commission report provides an in depth analysis of the issues associated with second units and how the staff addressed these issues.

The recommendation within this report is to amend the Land Use and Housing Elements and then adopt a new ordinance prohibiting second units. An ordinance prohibiting second units must address adverse impacts on the public health, safety, and welfare which would result from allowing second units within single-family residential zoned areas, similar to that of the City's Ordinance #6021, however modified to reflect changes in state statute and City legislation since 1983. Staff has drafted up findings that the City Attorney's office can incorporate into a new ordinance once the Land Use and Housing Elements are revised (see Exhibit C). Currently, staff is in the process of updating the Housing Element and the 1994 Land Use Element.

The State of California's reaction to these amendments may result in greater difficulty in acquiring affordable housing money. Although the Land-Use Element, Housing Element, and Consolidated Plan make reference to encouraging affordable housing via second units, the City of Pasadena has not implemented a second unit ordinance, nor have any been built as a method for providing affordable housing. The City's efforts to encourage or discourage this housing type are not criteria by which funding decisions are based. Staff finds that it is highly unlikely that acquiring such funds would be problematic.

GENERAL PLAN CONSISTENCY

The Housing Element of the General Plan called for the possibility of adopting a second unit ordinance based upon State law. The City's Housing Element (Program 2 Objective A-2) states that *the zoning code is to be amended to allow second units to improve the utilization of existing housing stock and underutilized land.* The 1994 Final General Plan, the Land Use Element of the General Plan included policies related to second units as follows: General Plan Land Use Element Policy 8.1 - *Support retention of existing units in specified zoning districts by allowing development of a single additional unit on a lot.*

The prohibition of second dwellings units as discussed in this staff report is in conflict with the City of Pasadena General Plan that encourages the consideration of second unit development/establishment. An amendment to the City of Pasadena General Plan and changes to other City plan, programs, and policies must be undertaken should the City Council continue to support such prohibition.

WORKLOAD IMPACT

The prohibition of second dwelling units would preclude an opportunity to submit an application, thereby staff would not incur such workload.

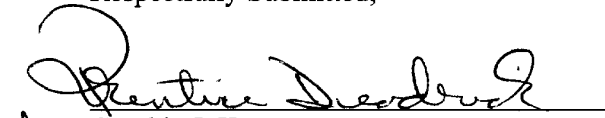
Staff is not anticipating that a large number of applications will be received for second units, should an ordinance be adopted allowing the consideration of second dwelling units. Given what other cities have received, it is anticipated that Pasadena will receive not more than one or two applications a year. This will have a minor impact on the workload of the Planning and Permitting Department.

FISCAL IMPACT

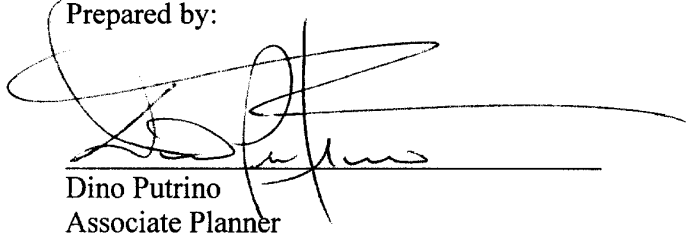
The prohibition of second dwelling units would preclude an opportunity to submit an application, therefore no fees would be collected and no City expense would be incurred.

It is not anticipated that the approval of an ordinance allowing the consideration of second dwelling development/establishment will have a significant fiscal impact. It is anticipated that the City will receive one to two applications a year. This will be revenue neutral.

Respectfully Submitted,

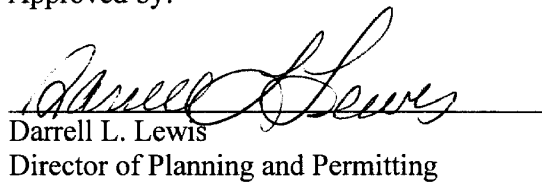

for Cynthia J. Kurtz
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