



PLANNING COMMISSION HEARING DATE: MARCH 18, 2021
AGENDA ITEM NO.: 5

SUMMARY

<i>Case Numbers</i>	N/A
<i>Request</i>	A workshop to update and inform the City Planning Commission about the Phase I General Plan Update – Housing Element, Public Safety Element and Environmental Justice Policies project
<i>Applicant</i>	City of Riverside, Community and Economic Development Department
<i>Project Location</i>	Citywide
<i>Ward</i>	Citywide
<i>Staff Planner</i>	Matthew Taylor, Senior Planner 951-826-5944 mtaylor@riversideca.gov

PURPOSE

The purpose for this workshop is to update the Planning Commission on the City’s Phase 1 General Plan Update – Housing Element, Public Safety Element and Environmental Justice Policies (the Update) and provide input opportunities. No formal action is required by the Planning Commission.

DISCUSSION

This workshop will cover the following topics related to the Update:

- o State Housing Element Law
- o Other Statutory Requirements (Public Safety Element and Environmental Justice Policies)
- o Regional Housing Needs Allocation (RHNA) Process
- o Riverside’s Share of the 6th-Cycle RHNA Allocation
- o Housing Element Update Process
 - o Public Outreach Summary
 - o Housing Opportunity Sites Inventory
 - o Scenario Planning
 - o Draft Preferred Alternative
- o Next Steps

STATE REQUIREMENTS

Housing Element

The California Government Code requires that all cities and counties adopt a Housing Element as one of the mandatory components of the General Plan. The Housing Element guides the City in ensuring that housing needs of all residents in Riverside are met. The Housing Element also includes an action plan to promote safe, decent, and affordable housing for all.

The Housing Element must be updated every eight years to evaluate its effectiveness in achieving its stated housing goals and objectives, account for changes in the economic and regulatory landscape, and accommodate City's Regional Housing Need Assessment obligations. The City's 5th cycle Housing Element was finalized in December 2017 and covers the time frame from 2013 to 2021. The 6th Cycle begins October 15th, 2021 and covers the period through 2029.

Per State law, the specific purposes of the Housing Element are to:

- Assess both current and future housing needs and constraints; and
- Establish housing goals, policies and programs that provide a strategy for meeting the city's housing needs.

State law requires the following be included in the Housing Element:

- A detailed analysis of the City's demographic, economic and housing characteristics;
- A comprehensive analysis of the barriers to producing and preserving housing;
- A review of the City's progress in implementing its adopted housing policies and programs;
- Identification of goals, objectives, and policies, in addition to a full list of programs that will help the City carry out the plan's vision; and
- A list of sites that could accommodate new housing, demonstrating the City's ability to meet its target number of new homes established in the RHNA.

Public Safety Element

California Senate Bill (S.B.) 1035 (Jackson, 2018) requires that the Public Safety Element, one of the mandatory components of the General Plan, be updated concurrently with the Housing Element to address flood and fire hazards, climate adaptation and resiliency strategies that may not have been addressed in previous updates of the General Plan. Updating the Public Safety Element helps to ensure that the City takes action to reduce natural and man-made hazards and safety threats as well as respond quickly to any public safety incident.

Environmental Justice Policies

The City is also required, by State law, to include Environmental Justice policies in the General Plan to focus on reducing health risks, promoting civic engagement, and prioritizing the needs of disadvantaged communities. They will be developed by identifying disadvantaged communities/demographics and conducting community outreach to understand the challenges faced. This process will guide the City's efforts to address issues related to public health, social equity, and environmental justice.

Timeframe

The deadline to complete the Update is driven by the State's deadline for updating the Housing Element by October 15, 2021. Phase 2 General expected to commence in late 2021 and be completed in 2024.

REGIONAL HOUSING NEEDS ALLOCATION (RHNA) PROCESS AND ROLES

California Department of Housing and Community Development

Every eight years, the California Department of Housing and Community Development (HCD) undertakes the RHNA process. This process includes an estimate of the number of housing units that must be planned across the State for the 8-year cycle. HCD considers observed and expected population, household characteristics and employment growth to determine housing production needs to keep pace with demand with housing needs.

HCD also considers how much housing should have been, but was not, constructed during previous cycles. The lack of production contributes to the ongoing housing availability and affordability crisis in California. HCD has determined that the state must produce over 3.5 million homes by 2029 to address unmet need and expected household and population growth.

State housing policy, including the Housing Element Law, acknowledges the private market's role in meeting California's housing needs. Local governments must adopt plans and regulatory systems that provide opportunities and do not unduly constrain housing development. General Plans and land use regulations facilitate housing development in determining where, how, and how much housing can be built.

Southern California Association of Governments

The identified State need is distributed statewide to regional planning agencies who are responsible for allocating the needs to individual member cities and counties. The Southern California Association of Governments (SCAG), which includes all of Ventura, Los Angeles, Orange, San Bernardino, Riverside and Imperial Counties, is estimated to have a population of approximately 20 million people and approximately 6.8 million households by 2029. HCD's final 6th-Cycle RHNA allocation for the six-county SCAG region is more than 1.3 million new units during this cycle. (Exhibit 1 – [HCD Final Regional Housing Need Assessment – October 15, 2019](#)).

SCAG finalized its method of distributing this 1.3 million units across its 191 member jurisdictions in March 2020. The distribution method was approved by HCD and acknowledges:

- The lack of sufficient housing production over previous cycles is a major contributing factor to the current housing crisis;
- Each SCAG jurisdiction needs to do its fair share to contribute housing for all income levels, but especially areas with access to higher resources, more jobs, and better opportunities; and
- Planning for housing must be consistent with other planning policy goals including more efficient land use patterns and reduction of greenhouse gas emissions (Exhibit 2 – [SCAG Final RHNA Allocation Methodology – March 5, 2020](#)).

City of Riverside

For the 2021-2029 6th Cycle, the City of Riverside RHNA obligation is 18,458 new housing units (Exhibit 3 – [SCAG 6th-Cycle Proposed Final RHNA](#)). The RHNA obligation is broken down as follows:

Table 1 – City of Riverside RHNA

Income level	Income limit – percent of Riverside County median family income (\$75,300/year) ¹	Total number of units
Very Low Income	Less than 50% (\$37,650/year)	4,861
Low Income	50-80% (\$60,250/year)	3,064
Moderate Income	80-120% (\$90,360/year)	3,139
Above-Moderate Income	More than 120% (over \$90,360/year)	7,394
Subtotal		18,458
No Net Loss buffer (30%)		5,538
Total		23,996

¹Department of Housing and Urban Development [FY 2020 Income Limits Documentation System](#)

The City must demonstrate that they have planned for these units and that adequate space has been identified for these units. The Housing Element must demonstrate that there is enough land available to develop the minimum 18,458 units over the upcoming 6th Cycle. To ensure the City meets this minimum, a buffer of approximately 30% is needed. This is known as “No Net Loss” and ensures that if sites are not developed at the density identified, there is enough land in reserve to ensure the RHNA obligations are met. The Update will identify sites to accommodate approximately 24,000 units for the 2021-2029 Cycle.

To estimate the number of affordable units, HCD uses density as a metric. Sites that allow moderate density (30 dwelling units per acre) are assumed to be able to accommodate housing affordable to low- and very low-income households. In the Update, the City must ensure that the number of affordable units are accommodated and that all reasonable steps are taken to facilitate their development.

HOUSING ELEMENT UPDATE PROCESS

In September 2020, City Council approved a contract with Houseal Lavigne Associates for professional services to assist Staff with the Update. All components of the project – the Housing Element Update and associated housing opportunity sites inventory, the Public Safety Element Update, the Environmental Justice Policies, and a Program Environmental Impact Report – are scheduled to be completed by the October 15, 2021 State deadline.

The timeline includes:

Figure 1 - Timeline

2020		2021									
Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<i>Community Meetings & Information Gathering</i>											
		<i>Plan Development and Refinement</i>									
					<i>State Review of Draft Plan</i>						
					<i>Environmental Review & Environmental Impact Report</i>						
										<i>Final Public Hearings</i>	

Public Outreach Summary

Public input is essential in preparing the Update to ensure its success. The City is undertaking an inclusive process in which all residents have the chance to participate. State planning law requires that the City engage the public and include all stakeholders and income groups.

The City of Riverside has been in the State’s COVID-19 purple tier since the start of the Housing Element update. As with all outreach, the City has shifted to a variety of virtual and on-line mechanisms to engage residents as the priority is to protect health and stop the spread of COVID-19. The City remains hopeful that the vaccine distribution, regular testing and other important measures taken to address COVID-19 (face covering, social distancing, hand washing, etc.), we will continue to improve our collective condition and lead to the reopening of businesses, schools and other critical services.

For the Housing Element specifically, our outreach strategy has included:

- A series of three virtual public workshops in January and February 2021;
- Virtual focus group meetings as requested;
- One-on-one discussions with residents and stakeholders;
- A dedicated project website;
- Two on-line surveys;
- Two interactive web-based maps that allow anyone to leave comments or suggestions;
- Recorded public meetings posted online;
- Electronic billboard announcements;
- Social media outreach through official City channels;
- Meeting flyer & widgets shared by City and Councilmembers; and
- Regular email blasts to over 50,000 recipients.

Additional opportunities for public input will occur throughout the Update process and may include additional virtual workshops and creative analog outreach strategies to continue engagement efforts while maintaining compliance with public health guidance.

Initial Sites Identified

As part of the Update, the City must identify an inventory of potential sites to accommodate the RHNA obligation and buffer. The first step was to identify sites across the City that could potentially accommodate housing. Criteria used to identify the initial inventory included:

- Undeveloped or underdeveloped sites;
- High land value but low value of improvements (such as older, smaller buildings);
- Excess zoned development capacity such as buildable height or floor area;
- Sites with vacant buildings or high rates of vacancy;
- Sites already zoned for housing during the previous 5th Cycle Housing Element Update that are still available for development;
- Lot sizes suitable for development (larger than 0.5 and smaller than 10 acres); and
- Sites with good access to transportation, employment, amenities, and services.
- Special planning areas where future housing development could be focused
 - Downtown Specific Plan Area;
 - Innovation District, especially the area north of Third Street and south of the 60/91/215 Interchange; and
 - Northside Specific Plan Area, specifically the areas where the recently adopted Specific Plan increased the residential development capacity.

Sites were then removed from the potential inventory based on the following:

- Existing zoning protected by Proposition R and Measure C (i.e., sites zoned RC – Residential Conservation or RA-5 – Residential Agriculture);
- Location within housing-restrictive zones (Airport Land Use Compatibility Zone);
- Location within a high Fire Hazard Severity Zone;
- Location within a mapped floodplain;
- Lack of available infrastructure services such wet and dry utilities; and
- Sites located far from transportation, employment, amenities, and services.

This initial analysis yielded a preliminary inventory of approximately 2,270 acres Citywide.

Scenario Planning

The next step in the process included development of scenarios to meet the RHNA obligations. Not all sites identified in the preliminary inventory are currently zoned to allow for housing development. The following scenarios were created to explore options for how the RHNA obligations could be met:

- **Business as Usual Scenario** – No changes to existing zoning or allowed development on preliminary inventory sites. This scenario does not meet the City's goal of 24,000 units.
- **Dispersed Growth Scenario** – housing development is spread more widely across almost all inventory sites, generally at lower densities resulting in less intensive but more widespread land use changes. This scenario exceeds the City's goal of 24,000 units.
- **Focused Growth Scenario** – housing development is limited to strategic locations with superior access to transportation, employment, services, and amenities, generally at higher densities and more intensive land use changes. This scenario also exceeds the City's goal of 24,000 units.

For the 6th Housing Element Cycle, the City is also able to "take credit" for approximately 3,000 units that are currently in some stage of development and an estimated 800-1,000 Accessory Dwelling Units (ADUs) Citywide.

Draft Preferred Alternative

The next step was to refine the preliminary sites inventory and develop a Preferred Alternative accommodate the RHNA obligations. Potential sites were prioritized for inclusion based on the following criteria:

- Sites that are entirely or almost entirely vacant;
- Sites where an owner or developer has expressly indicated interest in pursuing the development of housing;
- Sites that are already zoned for and not yet developed with housing;
- Sites that have a strong likelihood of redeveloping within the 6th-Cycle planning period, especially if the zoned development potential is increased; and
- Sites that have strong access to transportation, employment, services, and amenities.

Similarly, sites were identified for removal from the inventory based on the following criteria:

- Sites developed with buildings that were recently improved or renovated;
- Sites zoned for important jobs-producing industrial, business park or office uses;
- Sites comprised of smaller, disparately owned parcels that would require significant effort to assemble for viable development;
- Sites with numerous nonresidential leases that may be difficult or cost-prohibitive to unwind; and
- Sites that do not have strong access to transportation, employment, services, and amenities.

Input from of stakeholders and community members was also considered in developing the Preferred Scenario which must be consistent with the statutory requirements and policy priorities of the State. The resulting draft Preferred Alternative represents the most viable sites to meet the RHNA obligations (Exhibit 4 – Draft Preferred Alternative Housing Opportunity Sites Inventory). The draft Preferred Alternative identifies approximately 700 parcels totaling approximately 730 acres and includes, by Ward and Zoning Category:

Table 2 – Draft Preferred Scenario - Units and Acres by Ward

Ward	Parcels	Acres	% Land Area	Dwelling Units	% Total Units
Ward 1	161	196.3	27.0%	9,817	39.2%
Ward 2	102	95.9	13.2%	3,769	15.1%
Ward 3	80	82.0	11.3%	2,166	8.6%
Ward 4	34	49.8	6.8%	1,081	4.3%
Ward 5	89	93.2	12.8%	2,667	10.7%
Ward 6	151	109.0	15.0%	3,368	13.4%
Ward 7	83	101.3	13.9%	2,173	8.7%
Total	700	727.6		25,041	

Table 3 – Draft Preferred Scenario – Zoning Category Breakdown

Zoning Category	Parcels	Acres	% Land Area	Dwelling Units	% Total Units
Multifamily	140	171.8	23.6%	8979	36%
Mixed Use	386	367.7	50.5%	11,393	45%
ID, NS, DT Districts	174	188.4	25.9%	4,669	19%
Total	700	727.6		25,041	

NEXT STEPS

Immediate next steps for the Update include:

- Continued refinement of the draft Preferred Alternative based on Planning Commission, community, and stakeholder input – through end of March 2021;
- Development of Housing, Public Safety and Environmental Justice goals, policies, and actions – through end of April 2021;
- Preparation of updated Housing and Public Safety Element and incorporation of Environmental Justice Policies – through end of April 2021;
- Publication of a draft Environmental Initial Study and Notice of Preparation of an Environmental Impact Report pursuant to the California Environmental Quality Act (CEQA) for public review and comment – early April 2021;
- Holding a public CEQA Scoping Meeting to solicit input on environmental topics and impacts to be examined in the Environmental Impact Report – mid-April 2021;
- Publication of draft updated Housing Element, Public Safety Element and Environmental Justice Policies documents for public review and comment – late April 2021;
- Submission of draft updated Housing Element to HCD for preliminary review and comment – May 2021;

- Additional opportunities for community input will be undertaken as feasible; and
- Planning Commission for full consideration of the Update and the associated Environmental Impact Report - late August or early September 2021.

ENVIRONMENTAL REVIEW

This workshop is provided for discussion purposes, and no action or environmental determination will be made at this time. Therefore, no California Environmental Quality Act (CEQA) review or determination is necessary.

A Program Environmental Impact Report is being prepared for the Housing Element, Public Safety Element and Environmental Justice Policies project pursuant to all applicable requirements of CEQA.

EXHIBITS LIST

1. HCD Final Regional Housing Need Assessment – October 15, 2019
2. SCAG Final RHNA Allocation Methodology – March 5, 2020
3. SCAG 6th-Cycle Proposed Final RHNA Allocation
4. Draft Preferred Alternative Housing Opportunity Sites Inventory

Prepared by: Matthew Taylor, Senior Planner
Reviewed by: David Murray, Principal Planner
Approved by: Mary Kopaskie-Brown, City Planner