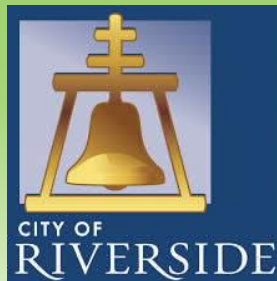




SAGECREST
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HOUSING STRATEGY OPTIONS REPORT

2021-2029 Housing Element



CITY OF RIVERSIDE – PLANNING DIVISION
3900 MAIN STREET
RIVERSIDE, CA 92522

HOUSING STRATEGY OPTIONS REPORT

for the

2021-2029 Housing Element

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PROJECT OVERVIEW

The recently adopted 2021-2029 Housing Element of the General Plan ensures that the current and future housing needs for the City of Riverside are met. The Housing Element includes policies to maintain existing housing and increase capacity for additional housing options. The objective of this document is to develop infill housing strategies for increasing housing production, increasing the range of housing types, and expanding housing choices. The infill housing options explored in this document can build upon existing policies and develop the framework for infill residential development. Strategies identified in this document can be integrated with the Zoning Code, General Plan Update, and specific plans.

EXISTING POLICIES PERTAINING TO HOUSING DENSITY

The Land Use and Urban Design Element of General Plan 2025 (adopted November 2007) describes present and planned land uses, as well as their relationship to the City's goals and policies to guide future growth.

The City's recently adopted 2021-2029 Housing Element of the General Plan provides a coordinated and comprehensive strategy for promoting the production of safe, decent, and affordable housing throughout the community. The Housing Element not only includes policies and programs that will assist in meeting the housing needs of residents, but also includes a comprehensive sites inventory demonstrating the City's ability to meet its share of the 6th cycle Regional Housing Needs Assessment (RHNA). This action plan includes the specific options the City could take to implement each policy and, as applicable, continue or initiate a housing program.

Several objectives, policies, programs, and actions within the Land Use and Urban Design Element and Housing Element support increasing the housing supply through infill development:

Objective LU-8: Emphasize smart growth principles through all steps of the land development process.

Policy LU-8.1: Ensure well-planned infill development Citywide, allow for increased density in selected areas along established transportation corridors.

Policy LU-8.2: Avoid density increases or intrusion of nonresidential uses that are incompatible with existing neighborhoods.

Policy LU-8.3: Allow for mixed-use development at varying intensities at selected areas as a means of revitalizing underutilized urban parcels.

Policy LU-8.4: Ensure that in-fill development and development along Magnolia and University Avenues, incorporates the latest Smart Growth principles.

Objective LU-10: Provide for appropriate timing of development in accordance with the future land uses designated in this Land Use Element.

Policy LU-10.1: Discourage the premature development of nonurbanized areas and encourage growth, through such programs as the Residential Infill Incentive Program, first in undeveloped and under-developed areas within, adjacent to or in close proximity to existing urbanized neighborhoods.

Objective LU-43: Perpetuate the development and redevelopment of Casa Blanca as a single-family residential community, providing decent housing in a price range affordable for ownership by present residents and future families.

Policy LU-43.1: Promote affordable infill development of new single-family homes on vacant or underutilized parcels planned and zoned for such use.

Objective LU-48: Strengthen the identity and character of Downtown using the existing historic and architectural urban character of the community, while allowing for new structures that are architecturally compatible with and complementary to the existing architectural and historic fabric.

Policy LU-48.1: Encourage mixed-use development with a strong residential presence, including both new construction and the conversion of upstairs spaces in existing buildings.

Policy LU-48.5: Encourage housing beyond the traditional residential neighborhoods as a means of making Downtown a twenty-four hour neighborhood.

Policy LU-48.6: Provide a variety of housing options, including medium- and high-density apartments and condominiums, live/work loft space and mixed-use buildings with significant residential components.

Objective LU-78: Maintain Ramona’s established residential character while allowing for higher-intensity, transit-oriented residential and mixed residential-commercial development on opportunity sites, particularly along Magnolia and California Avenues.

Policy LU-78.1: Improve and expand the housing stock to support and complement the major educational institutions and bus rapid transit.

Policy LU-78.5: Encourage mixed-use urban development on the underutilized site on Madison Street northwesterly of the 91 Freeway.

Policy LU-78.6: Require large-scale development along block faces of Magnolia Avenue that are designated Very High Density Residential (VHDR). Ensure that resulting development is sensitive to surrounding uses.

Objective LU-89: Accommodate flexible design to provide for superior development in single family residential developments based upon good planning principles and to promote the general welfare of the neighborhood and maximum benefit to the environment.

Policy LU-89.1: Permit the density transfer between land use designations within the same single family residential development as necessary to provide for superior development. As an example, but not necessarily limited to, such transfers are desirable where density is transferred from steep, hillside land to flatter, less visually sensitive properties and where significantly less grading will result. In the case of such a density transfer, the overall maximum density shall not exceed that otherwise permitted by the General Plan designation(s).

Policy HE-1 – Affordable Housing: Preserve and increase affordable housing options, including subsidized and non-subsidized affordable units for lower-income and environmental justice communities, special needs, and under-served populations, with a particular emphasis on building community wealth.

Program HE-1-1 – Housing on Assembly of Peoples sites: On properties with an Assembly of People Use that are nonprofit organizations, the City allows both affordable and market-rate residential development with no density limit, via a CUP process.

Implementation Measure HE-5.3 – Prepare an Adaptive Reuse Ordinance to encourage redevelopment of underutilized commercial and industrial properties and allow by-right residential development in exchange for providing a certain number of affordable units in non-residential zones. Consider piloting this program, if warranted, in census tracts considered vulnerable to displacement risk with substantial concentrations of commercial uses.

Policy HE-4 – Thriving Neighborhoods: Facilitate and encourage a variety of new housing types, including single- and multi-family and missing middle housing, and the necessary public amenities to support a sense of community that results in equitable and sustainable neighborhoods.

Program HE-4-5 – Facilitate ADU Development: ADU development can be facilitated through the development of permit-ready architectural plans, educational materials (including providing information about CalHFA funding availability online), and approval process streamlining. SB 2 funding has been secured for this effort. The City applied for CalHome funds for housing rehabilitation and ADU development in October 2020. This program will be continued and expanded.

Policy HE-5 – Regulations: Reduce and remove government barriers where feasible and legally permissible, to reduce costs of housing production and facilitate both ownership and rental opportunities for all residents.

Program HE-5-1 – Adequate Housing Opportunity Sites for RHNA: The City has developed an extensive inventory of potential development sites to accommodate the City’s share of the Regional Housing Needs Allocation (RHNA) (Appendix A – Opportunity Sites Inventory). While not all of these sites are currently zoned to allow for residential uses or for residential densities suitable for lower-income housing, the City has proactively initiated an effort to rezone these sites for higher-density residential and mixed-use development. The rezoning will be completed prior to the beginning of the 2021-2029 Housing Element cycle.

Program HE-5-2 – Zoning Code Amendments: The City’s Zoning Code will implement many of the policies and programs in the Housing Element. Updates to the Zoning Code prepared concurrently with or planned to be implemented with this Housing Element include:

- Urban design regulations;
- Incentives for building the maximum number of homes allowed;
- Inventory sites for lower-income development that contain existing residential units occupied by or deed-restricted for lower-income households will be subject to replacement requirements pursuant to AB 1397 as a condition of project approval, consistent with the requirements of State density bonus law;
- Allowance for the use of preapproved construction plans;
- Modifications to required findings for Requests for Reasonable Accommodations; and
- Streamlined review and approval processes for residential development;
- Objective Design Standards pursuant SB 330; and
- Written procedures for streamlined approval of qualifying affordable housing projects pursuant to SB 35.

Specific Zoning Code amendments, as well as timing and responsible parties, are detailed in the Action Plan.

Program HE-5-4 – Density Bonus: Density bonus provisions can promote increased density. Key changes to the State density bonus law include:

- AB 1763 (Density Bonus for 100 Percent Affordable Housing) – Density bonus and increased incentives for 100 percent affordable housing projects for lower income households.
- SB 1227 (Density Bonus for Student Housing) - Density bonus for student housing development for students enrolled at a fulltime college, and to establish prioritization for students experiencing homelessness.
- AB 2345 (Increase Maximum Allowable Density) - Revised the requirements for receiving concessions and incentives, and the maximum density bonus provided.

This program will continue in the City and be implemented through the Zoning Code.

Program HE-5-9 – Accessory Dwelling Units: Accessory Dwelling Units (ADUs) represent an important affordable housing option to lower and moderate-income households. The State has passed multiple bills in recent years to remove constraints to the development ADUs (including AB 587, AB 671, AB 68, and SB 13, among others). The City has updated its ADU ordinance to comply with State law.

Policy HE-EJ-7 – Development Process: Facilitate a development process that promotes the design and rehabilitation of housing that is responsive to the needs and desires of the residents of environmental justice communities.

Program HE-EJ-7-2 – Density Transfer Program: This program would allow the transfer of residential density from properties that are not built to their targeted density per the General Plan and/or Zoning designation of the site. The City should maintain an active inventory of unused density “credits” that can be transferred to other properties if requested by a developer to help facilitate housing. This program is to be considered by the City.

Program HE-EJ-7-3 – Housing on Small and Infill Lots: The City has identified that housing on infill lots will increase housing opportunities in Riverside. A Small Lot and/or Infill Development Ordinance would then be prepared to facilitate streamlining of development on these lots. Revisions to the Zoning Code may include reduced minimum lot sizes, reduced setbacks, greater building heights, or less parking to eliminate the need for variances.

Action HE-4.2 – Prepare a Zoning Code update that encourages and incentivizes building the maximum number of homes allowed by the Zoning to create a critical mass of residents to support local businesses, community services, and public transit.

Action HE-5.3 – Prepare an Adaptive Reuse Ordinance to encourage redevelopment of underutilized commercial and industrial properties and allow by-right residential development in exchange for providing a certain number of affordable units in non-residential zones. Consider piloting this program, if warranted, in census tracts considered vulnerable to displacement risk with substantial concentrations of commercial uses.

Action HE-5.4 – Prepare a Zoning Code update to further encourage mixed-use development, including a potential density transfer program allowing densities on properties that are not built to their maximum density to be used on other properties, with transit access that reduces automobile trips, vehicle miles traveled, and associated energy consumption, with a particular focus on racially concentrated areas of affluence and census tracts with CalEnviroScreen Scores below the 60th percentile.

Action HE-5.6 – Update the City’s Density Bonus Ordinance and standards to encourage and incentivize development of affordable and senior housing, and other special needs housing (such as student housing), both for sale and for rent, consistent with state Density Bonus legislation and continue implementing fee reductions that incentivize senior housing production.

Action HE-EJ 7.4 – Publicize the undeveloped and underutilized developed sites land inventory on the City’s website.

Action HE-EJ 7.5 – Prepare an infill development ordinance and development regulations, including the potential to use pre-approved construction plans, to facilitate housing on smaller lots that are close to needed services and amenities while allowing lot consolidation without discretionary review and with fee reductions. Consider prioritization of development opportunity sites located in census tracts with TCAC Economic Opportunity Scores over 0.50.

DESCRIPTION OF EVALUATION CRITERIA

The following six housing strategy options have been identified in this report, each of which is discussed in detail below:

1. Infill Development Ordinance
2. Small Lot Subdivision Ordinance
3. SB 10 Ordinance
4. Density Transfer Program
5. Require Minimum Densities
6. Increase General Plan/Zoning Densities

The following ten evaluation criteria were used to compare the potential success of each housing strategy option and a chart of all options is included at the end of the report for side-by-side comparison.

1. Impact on Increasing Residential Density

Does the option increase residential density levels beyond approved General Plan limits?

- Increase General Plan limits
- Within General Plan limits

2. Impact on Increasing Housing Unit Production

Does the option increase the City's capacity for residential development? Strategies that have the potential to result in a significant increase in residential unit construction are rated "high" and strategies that are unlikely to result in a sizable increase in residential unit construction are rated "low."

- High
- Moderate
- Low

3. Level of Community Interest

How likely is the community to support the option?

- Community support likely
- Unlikely to result in strong community interest, either positive or negative
- Community opposition likely

4. Impact on City Financial/Staffing Resources

Would additional City resources be required to develop and/or implement the option? Ratings are based in part on whether the action would have a temporary or long-term impact on resources.

- No additional resources required
- Temporary increased need for resources for development of measures or actions
- Long-term increased need for resources, staffing to manage/monitor

5. Consistency with Adopted Plans/Regulations

Would the option require amendments to adopted plans/regulations? Ratings are based on whether the action would be consistent or inconsistent with adopted policies, permitted under existing regulations, would require only minor amendments to existing regulations, or would require a new regulatory structure.

- Consistent; no changes needed
- Consistent with overall intent, minor amendment(s) needed
- Not consistent; changes required

6. Impact on Development Feasibility

Would the option increase financial feasibility of housing development based on either decreased development costs or increased development value?

- Provides enhanced development feasibility (reduces development cost, increases development value)
- Unknown effect on development feasibility
- Unlikely to improve feasibility or makes feasibility more challenging

7. Impact on Established Single Family Neighborhoods

Would the option change the character of established single family residential neighborhoods? Factors considered include whether new housing types, density increases, or changes to development standards are included as part of the action.

- Does not change character of established residential neighborhoods
- Has potential to change character of established residential neighborhoods (new housing types, incremental density increases, generally maintains development standards and/or include design guidelines)
- Likely to result in significant change to established residential neighborhood (changes in fundamental uses, significant changes in development standards)

8. Impact on Housing Mix

Would the option promote an expanded mix of housing types available in the City?

- Increases mix of housing types
- Moderate or uncertain increase in mix of housing types
- Not likely to alter mix of housing types

9. Timing

How long would it take to implement the option?

- Short Term – less than 1 year to implement
- Medium Term – 1 to 2 years to implement

- Long Term – more than 2 years to implement

10. CEQA

What type of CEQA review would the proposal require?

- Categorically or statutorily exempt
- Initial Study required to determine level of CEQA Analysis

OPTIONS FOR INCREASING HOUSING PRODUCTION

Option 1 – Infill Development Ordinance

An infill development ordinance would create flexibility in the zoning code to allow for development of existing residential lots that do not meet the current minimum development standards (substandard lots). The purpose of the ordinance is to encourage infill development by simplifying procedures for approval, provide a more flexible approach to design and development of infill development, and assure community compatibility and efficient use of land and public services. Possible Funding Sources to implement Option 1 include the HCD Infill Infrastructure Grant Program (<https://www.hcd.ca.gov/grants-and-funding/programs-active/infill-infrastructure-grant>) and California Transportation Commission Solutions for Congested Corridors Program (SCCP) (<https://catc.ca.gov/programs/sb1/solutions-for-congested-corridors-program>).

- Pros
 - Encourages infill development,
 - Provides additional opportunities for “missing middle” housing,
 - Creates a tool for property owners to develop vacant parcels or redevelop nonconforming parcels,
 - Provides a modest increase in residential capacity without increasing density beyond what is adopted in the General Plan,
 - Increased flexibility in development standards would increase the potential for a wider mix of housing types,
 - Increases the ability of the market to respond to changing housing demand,
 - Ordinance can be developed relatively quickly,
 - Ordinance should be exempt from CEQA,
 - Satisfies program HE-EJ-7-3 of the 2021-2029 Housing Element - Housing on Small and Infill Lots: The City has identified that housing on infill lots will increase housing opportunities in Riverside. A Small Lot and/or Infill Development Ordinance would then be prepared to facilitate streamlining of development on these lots. Revisions to the Zoning Code may include reduced minimum lot sizes, reduced setbacks, greater building heights, or less parking to eliminate the need for variances.

- Cons
 - Not likely to result in a substantial increase in the number of housing units since it does not increase the number of residential lots,
 - Potential for incompatibility with surrounding residential area if the infill development is not sensitive to the surrounding area.

Review Criteria	Option 1 Discussion
Impact on Increasing Residential Density	<i>Within General Plan limits</i> – The ordinance would maintain the existing density limits within the General Plan and instead amend development standards to streamline residential development on existing substandard lots.
Impact on Increasing Housing Unit Production	<i>Low</i> – Flexible development standards for substandard lots would increase the ability to develop smaller lots with housing units, however the ordinance would not create new residential lots or increase density, which limits residential capacity. Program HE-EJ-7-3 within the General Plan Action Plan has a target of 3 residential units developed on small and infill lots per year.
Level of Community Interest	<i>Unlikely to result in strong community interest, either positive or negative</i> – The program would allow for existing substandard residential lots to be developed. Since the existing density, zoning and General Plan land use designations would remain unchanged, it is unlikely the ordinance would receive strong opposition.
Impact on City Financial/Staffing Resources	<i>Temporary increased need for resources for development of measures or actions</i> – Implementing Option 1 would require a one-time cost to draft the ordinance. Once adopted, it would not require ongoing financial resources or staff support.
Consistency with Adopted Plans/Regulations	<p><i>Consistent with overall intent, minor amendment(s) needed</i> – Option 1 would essentially expand upon the Planned Residential Development Permit process detailed in Chapter 19.780 of the Zoning Code, which currently allows development of small-lot infill subdivisions in single-family zones. Option 1 would also be consistent with several objectives, policies, programs, and actions within the Land Use and Urban Design Element and Housing Element, including:</p> <ul style="list-style-type: none"> • Policy LU-8.1 • Policy LU-10.1 • Objective LU-89 • Policy HE-4 • Policy HE-5

Review Criteria	Option 1 Discussion
	<ul style="list-style-type: none"> • Program HE-EJ-7-3 • Action HE-EJ 7.5
Impact on Development Feasibility	<i>Provides enhanced development feasibility</i> – The ordinance would create flexible standards to streamline housing development on substandard lots. This would increase the ability to develop smaller lots with housing units.
Impact on Established Single Family Neighborhoods	<i>Has potential to change character of established residential neighborhoods</i> – The potential to change the character of established neighborhoods depends on how much the infill development standards deviate from the zoning code. The infill ordinance should be sensitive to the surrounding area.
Impact on Housing Mix	<i>Moderate or uncertain increase in mix of housing types</i> – The impact on the housing mix will depend on how greatly the infill development standards deviate from the zoning code.
Timing	<i>Short Term (<1 year)</i> – The ordinance could be drafted quickly.
CEQA	The ordinance should be exempt per Section 15060(c)(2) and 15061(b)(3)

Option 2 – Small Lot Subdivision Ordinance

A small lot subdivision ordinance would increase the number of residential lots by allowing existing residential lots to be subdivided into smaller lots. A small lot subdivision is intended to be an alternative to a single-family home or a typical townhome or condominium development. The residents of a small lot home actually own the land the unit sits on. The ordinance could apply to single-family residential zones and/or multi-family zones. Lots must conform with densities specified in the General Plan.

- Pros
 - Encourages infill development,
 - Provides additional opportunities for “missing middle” housing,
 - Could result in homes that are more compatible in a single-family neighborhood as compared to a condominium or apartment development,
 - Should be exempt from CEQA,
 - Does not increase density beyond what is already adopted in the General Plan,
 - Satisfies Program HE-EJ-7-3 of the 2021-2029 Housing Element - Housing on Small and Infill Lots: The City has identified that housing on infill lots will increase housing opportunities in Riverside. A Small Lot and/or Infill Development Ordinance would then be prepared to facilitate streamlining of development on these lots. Revisions to the

- Provides additional housing options in the form of smaller single-family detached homes vs. townhomes or condominiums.
- Cons
 - Some projects could result in a decrease of residential densities if developers opt to construct single-family detached homes instead of condos/townhomes,
 - Neighbor opposition is likely if small lot development standards are too permissive.

Review Criteria	Option 2 Discussion
Impact on Increasing Residential Density	<i>Within General Plan limits</i> – The ordinance would maintain the existing density limits within the General Plan and instead amend subdivision standards to allow for existing residential lots to be subdivided into small lots.
Impact on Increasing Housing Unit Production	<i>Low</i> – The ordinance should result in a slight increase in the number of housing units since it will create additional residential lots. However, the ordinance could result in fewer housing units if small lot subdivisions are allowed in multi-family zones and result in developers constructing small single-family homes instead of higher density multi-family units. Program HE-EJ-7-3 within the General Plan Action Plan has a target of 3 residential units developed on small and infill lots per year.
Level of Community Interest	<i>Community opposition likely</i> – Even though existing density, zoning and General Plan land use designations would remain unchanged, the ordinance promotes an alternative housing type that neighbors could view as incompatible with the surrounding neighborhoods.
Impact on City Financial/Staffing Resources	<i>Temporary increased need for resources for development of measures or actions</i> – Implementing Option 2 would require a one-time cost to draft the ordinance. Once adopted, it would not require ongoing financial resources or staff support.
Consistency with Adopted Plans/Regulations	<i>Consistent with overall intent, minor amendment(s) needed</i> – Option 2 would essentially expand upon the Planned Residential Development Permit process detailed in Chapter 19.780 of the Zoning Code, which currently allows development of small-lot infill subdivisions in single-family zones. Option 2 would also be consistent with several objectives, policies, programs, and actions within the Land Use and Urban Design Element and Housing Element, including:

Review Criteria	Option 2 Discussion
	<ul style="list-style-type: none"> • Policy LU-8.1 • Policy LU-10.1 • Objective LU-89 • Policy HE-4 • Policy HE-5 • Program HE-EJ-7-3 • Action HE-EJ 7.5
Impact on Development Feasibility	<i>Provides enhanced development feasibility</i> – The ordinance would create flexible standards to encourage housing development and increase the ability to develop smaller lots with housing units.
Impact on Established Single Family Neighborhoods	<i>Has potential to change character of established residential neighborhoods</i> – The potential to change the character of established neighborhoods depends on how much the small lot subdivision standards deviate from the zoning code. The small lot subdivision ordinance should be sensitive to the surrounding area.
Impact on Housing Mix	<i>Increases mix of housing types</i> – The ordinance creates an alternative housing type.
Timing	<i>Short Term (<1 year)</i> – The ordinance could be drafted quickly
CEQA	The ordinance should be exempt per Section 15060(c)(2) and 15061(b)(3)

Option 3 – SB 10 Ordinance

An SB 10 ordinance would allow up to 10 dwelling units, plus up to two accessory dwelling units (ADUs) and two junior accessory dwelling units (JADUs) per parcel. This can be done through implementation of an overlay zone. SB 10 applies to transit-rich areas or urban infill sites:

- A transit rich-area is defined as a parcel located within one-half mile of (i) an existing rail or bus rapid transit station, (ii) ferry terminal served by either bus or rail services, or (iii) a high-quality bus corridor.
- Urban infill sites must be: (i) Located within an urbanized area or urban cluster as designated by the US Census Bureau, (ii) at least 75% of the perimeter of the site must be developed with urban uses, and (iii) the site must be zoned for or have a general plan designation that allows residential use or residential mixed use, with at least two-thirds of the square footage designed for residential use.

SB 10 does not apply if a parcel is within a high or very high fire hazard severity zone unless fire hazard mitigation measures have been adopted pursuant to existing building standards, or on property designated as open-space land or for park or recreational purposes through a local initiative.

An SB 10 ordinance must clearly demarcate the areas that are zoned pursuant to SB 10 and make findings that the increased density supports the City's duty to affirmatively further fair housing. It is important to note that once included in an SB 10 ordinance, the City would be prohibited from reducing the allowed density on the site. Jurisdictions have until December 31, 2028, to adopt an SB 10 ordinance, however, the operative date of the SB 10 ordinance may extend beyond January 1, 2029.

An ordinance adopted pursuant to SB 10, and any other actions taken to make the general plan, municipal code, and other regulations consistent with the new zoning, is not considered a project for the purposes of the California Environmental Quality Act (CEQA). Notwithstanding this, housing projects on parcels subject to an SB 10 ordinance would still be subject to CEQA. Exemption for new construction of small structures of up to six units in urbanized areas (Class 3 categorical exemption) or the infill exemption (Class 32 categorical exemption) for parcels under five acres are allowed; however, Applicants would need to substantiate these exemptions with technical studies, which can take significant time and resources. To avoid CEQA processing delays and litigation delays, the City may consider making residential developments of up to 10 units "by-right" or subject only to ministerial approval. Should an applicant determine to increase beyond the units allowed by SB 10, such as utilizing density bonus, they would not be eligible for any CEQA exemption (this provision does not apply to up to two ADUs and two JADUs).

- Pros
 - Has the potential to create a sizable increase in housing stock (10 units per parcel plus 2 ADUs and 2 JADUs = up to 14 units per parcel),
 - City has complete authority to decide which properties are subject to an SB 10 ordinance,
 - City has until December 31, 2028 to adopt an SB 10 Ordinance (ordinance operative date can extend beyond January 1, 2029),
 - Adoption of the ordinance is exempt from CEQA,
 - Can increase density beyond what is already adopted in the General Plan (may also be a con).
- Cons
 - No known successful implementation of SB 10 projects since very few jurisdictions have adopted SB 10 ordinances,
 - May create confusion with the requirements of recently adopted SB 6 and AB 2011,
 - Likely to receive pushback from neighbors since some parcels could see a large increase in densities,
 - Will take longer to draft an ordinance,
 - City cannot subsequently reduce the density of any parcel subject to the SB 10 ordinance,
 - Likely will need to amend the General Plan and Municipal Code to make SB 10 zoning consistent,
 - Can increase density beyond what is already adopted in the General Plan (may also be a pro).

Review Criteria	Option 3 Discussion
Impact on Increasing Residential Density	<i>Increase General Plan limits</i> – A parcel rezoned using an SB 10 ordinance cannot result in a density that is lower than the parcel's existing density allowed by the General Plan/Zoning.
Impact on Increasing Housing Unit Production	<i>Moderate to High</i> – Depending on how the ordinance is written, an SB 10 ordinance could have a large impact on housing unit production. An ordinance that applies to a wide range of parcels will have a greater impact on housing production than an ordinance that applies to a small subset of parcels. The parcel's pre-SB 10 zone also has a large impact on housing production. Constructing 10 units on a previously multi-family zoned parcel versus 10 units on a previously single-family zoned parcel will yield very different increases in housing units. Additionally, whether SB 10 rezoning will be voluntary (e.g. property owners need to request a rezone) or mandated (e.g. the city will rezone regardless of property owner support) could greatly impact housing production.
Level of Community Interest	<i>Community opposition likely</i> – SB 10 is a controversial housing law that many view as a threat to single family neighborhoods.
Impact on City Financial/Staffing Resources	<i>Temporary increased need for resources for development of measures or actions</i> – would require a one-time cost to draft the ordinance and additional costs to amend the General Plan and Municipal Code to conform with the new zoning.
Consistency with Adopted Plans/Regulations	<p><i>Not consistent; changes required</i> – An SB 10 ordinance would be consistent with some objectives, policies, programs, and actions within the Land Use and Urban Design Element and Housing Element, including:</p> <ul style="list-style-type: none"> • Policy LU-8.1 • Policy HE-5 • Action HE-4.2 • Policy LU-58.3 • Policy LU-66.1 • Policy LU-66.2 <p>But could be inconsistent with others, including:</p> <ul style="list-style-type: none"> • Policy LU-8.2 • Policy LU-33.2 • Policy LU-36.1 • Objective LU-40 • Policy LU-40.4 • Objective LU-43

Review Criteria	Option 3 Discussion
	<ul style="list-style-type: none"> • Objective LU-49 • Objective LU-54 • Objective LU-57 • Objective LU-70 • Objective LU-86 • Policy LU-69.1 • Objective LU-74
Impact on Development Feasibility	<i>Provides enhanced development feasibility</i> – The ordinance would allow for higher residential densities, which increases the ability to develop parcels with housing units.
Impact on Established Single Family Neighborhoods	<i>Likely to result in significant change to established residential neighborhood</i> – Depending on which properties are included in the ordinance and their proximity to existing neighborhoods, the ordinance could greatly impact established neighborhoods by dramatically increasing allowable density per parcel.
Impact on Housing Mix	<i>Increases mix of housing types</i> – Constructing up to ten units per parcel will result in a variety of housing types.
Timing	<i>Medium Term (1-2 years)</i> – The ordinance could be drafted quickly because it is exempt from CEQA, however SB 10 has not been put into practice and the City would be drafting one of the first ordinances in the state. The city attorney should be consulted regularly.
CEQA	Adoption of the ordinance would be exempt per Government Code Section 65913.5(a)(3).

Option 4 – Density Transfer Program

A density transfer program would allow a site that is not built to the maximum density to transfer the unused density to be built on other properties. This program would establish a density transfer pool consisting of unused density from underutilized properties. It would require tracking unrealized residential units from developments built under the maximum density allowed. Available density within the density transfer pool could be transferred to a developing parcel to increase the density beyond what is permitted through the current zoning.

- Pros
 - Provides a way for the City to gain back unrealized density,
 - Increases the ability of the market to respond to changing housing demand,

- Does not increase density beyond what is already adopted in the General Plan,
 - Satisfies PROGRAM HE-EJ-7-2 – DENSITY TRANSFER PROGRAM: This program would allow the transfer of residential density from properties that are not built to their targeted density per the General Plan and/or Zoning designation of the site. The City should maintain an active inventory of unused density "credits" that can be transferred to other properties if requested by a developer to help facilitate housing. This program is to be considered by the City.
- Cons
 - Program development could be a lengthy process; will likely be costly to develop,
 - Requires ongoing monitoring and reporting.

Review Criteria	Option 4 Discussion
Impact on Increasing Residential Density	<i>Within General Plan limits</i> – The program would allow higher densities in some areas by transferring the density from an underdeveloped property. The overall density transferred would not exceed the planned density within the General Plan or Specific Plan(s).
Impact on Increasing Housing Unit Production	<i>Moderate</i> – The number of housing units produced under the program depends on how permissive the development standards are for the parcels receiving a density increase.
Level of Community Interest	<i>Unlikely to result in strong community interest, either positive or negative</i> – It is unlikely the program would receive strong opposition since it would implement Program HE-EJ-7-2 within the Housing Element and the existing density, zoning and General Plan land use designations would remain unchanged. It is also unlikely to receive strong support since neighbors could view parcels receiving a density increase as being incompatible with the surroundings.
Impact on City Financial/Staffing Resources	<i>Long-term increased need for resources, staffing to manage/monitor</i> – Would require a one-time cost to develop the program and a one-time cost to draft the CEQA document. The program would require development of a tracking and reporting program. Ongoing staffing will be needed to manage/track the program.

Review Criteria	Option 4 Discussion
Consistency with Adopted Plans/Regulations	<p><i>Consistent with overall intent, minor amendment(s) needed</i> – Option 4 would implement Program HE-EJ-7-2 – DENSITY TRANSFER PROGRAM. Development Code Chapter 19.780.050.D includes provisions for density transfers within a Planned Residential Permit. It would also be consistent with several objectives, policies, programs, and actions within the Land Use and Urban Design Element and Housing Element, including:</p> <ul style="list-style-type: none"> • Policy LU-89.1 • Policy HE-4 • Policy HE-5 • Action HE-5.4
Impact on Development Feasibility	<p><i>Provides enhanced development feasibility</i> – The ordinance would allow developers to increase a project’s density to make the project more economically feasible.</p>
Impact on Established Single Family Neighborhoods	<p><i>Has potential to change character of established residential neighborhoods</i> – Transferring density from one parcel to another could result in a development that is out of scale with surrounding developments.</p>
Impact on Housing Mix	<p><i>Increases mix of housing types</i> – Allowing some parcels to be built at higher densities will result in a variety of housing types</p>
Timing	<p><i>Medium Term (1-2 years)</i> – The General Plan Action Plan has a goal to complete an ordinance by 2025</p>
CEQA	<p>Likely an Addendum to the General Plan EIR</p>

Option 5 – Require Minimum Densities

This option would amend the General Plan and Municipal Code to require residential and mixed-use developments be constructed to a minimum percentage of allowed densities. Adopting minimum densities would provide for a more efficient use of available residential-zoned land and ensure sufficient residential capacity to accommodate growth, which is accomplished by preventing the underdevelopment of residential and mixed-use zoned properties. Adopting minimum densities can also support other community goals such as maximizing transit investments, expanding housing choices, protecting open space, and reducing greenhouse gas emissions.

The minimum density standards would ensure that the service capacity is effectively utilized and that the City's housing goals are met. The standards also ensure that incremental development will not preclude the ability to meet the intended development intensity of the zoning of a site.

- Pros:
 - Guarantees housing projects provide a certain number of housing units,
 - Higher densities generally provide increased opportunities for transit use and pedestrian oriented developments.

- Cons:
 - Could stifle development if the minimum densities are set too high and make construction costs economically infeasible,
 - Substantial staff time and community input needed to determine appropriate minimum densities,
 - Dictating a minimum density could be seen as infringing on a property owner's development rights.

Review Criteria	Option 5 Discussion
Impact on Increasing Residential Density	<i>Within General Plan limits</i> – The ordinance would maintain the existing density limits within the General Plan.
Impact on Increasing Housing Unit Production	<i>Low to Moderate</i> - Depends on what the minimum density is set at, could backfire and stifle development if the minimum density becomes economically infeasible to build.
Level of Community Interest	<i>Community opposition likely</i> – Requiring minimum densities could be viewed as limiting property rights.
Impact on City Financial/Staffing Resources	<p><i>No additional resources required</i> – If included in comprehensive General Plan Update.</p> <p><i>Temporary increased need for resources for development of measures or actions</i> – If adopted separate from the comprehensive General Plan Update process, there would be a one-time cost to amend the General Plan and Municipal Code.</p>
Consistency with Adopted Plans/Regulations	<i>Consistent with overall intent, minor amendment(s) needed</i> – Requires a General Plan Amendment to add language for minimum densities, but otherwise consistent with the General Plan and Municipal Code.

Review Criteria	Option 5 Discussion
Impact on Development Feasibility	<i>Unknown effect on development feasibility</i> – Could result in a hinderance to development if the minimum density is set too high and becomes economically infeasible to build.
Impact on Established Single Family Neighborhoods	<i>Does not change character of established residential neighborhoods</i> – Maximum densities allowed in single family neighborhoods, as well as adjoining multi-family developments, would not be altered and as such would maintain existing development patterns.
Impact on Housing Mix	<i>Moderate or uncertain increase in mix of housing types</i> – The impact on the housing mix depends on final determination of minimum density.
Timing	<i>Medium Term (1-2 years)</i> if completed independent of the General Plan Update. <i>Long Term (>2 years)</i> if included in comprehensive General Plan Update.
CEQA	The ordinance should be exempt per Section 15060(c)(2) and 15061(b)(3)

Option 6 – Increase General Plan/Zoning Densities

This option would amend the maximum allowable densities in the General Plan and Zoning Code. Increasing density allows more units to be constructed on all residential zoned properties; however, it could be limited to specific General Plan Land Use Designations/Zones if desired. The result of this option would increase the overall housing capacity of the City.

As with adopting minimum densities, this options would ensure that the service capacity is effectively utilized and that the City's housing goals are met. This would also reduce the cost to maintain infrastructure and the average construction cost per unit, decreased automobile trips, increased walkability, improve connectivity, and create cohesive and vigorous districts and places.

- Pros
 - Option that is most likely to create the largest increase in residential capacity,
 - Increases the potential for a wider mix of housing types,
 - Allows the market to respond to changing housing demand by providing a larger range of hosing while reducing the cost of construction per unit,
 - Would demonstrate the City is committed to increasing the overall housing stock and housing opportunities,
 - Could focus higher densities on specific land use designations,

- Higher densities generally provide increased opportunities for transit use and increase pedestrian walkability of the community.
- Cons
 - Lengthy process,
 - Expensive CEQA document,
 - Would require a thorough public process to ensure that actions are supported by and consistent with the vision for the city (resident pushback),
 - Potential to create incompatibility between higher density areas with existing residential areas and could impact existing single family residential neighborhoods.

Review Criteria	Option 6 Discussion
Impact on Increasing Residential Density	<i>Increase General Plan limits</i> – The very nature of this option would increase the allowable density within the General Plan.
Impact on Increasing Housing Unit Production	<i>Moderate to High</i> – Impact on housing unit production depends on the amount of density increase.
Level of Community Interest	<i>Community opposition likely</i> – Increased densities are often viewed as a threat to existing neighborhoods and are impactful to the community.
Impact on City Financial/Staffing Resources	<i>No additional resources required</i> – If included in comprehensive General Plan Update. <i>Temporary increased need for resources for development of measures or actions</i> – If adopted separate from the comprehensive General Plan Update process, there would be a one-time cost to amend the General Plan and a one-time cost for the CEQA document
Consistency with Adopted Plans/Regulations	<i>Not consistent, changes required</i> – A General Plan Amendment to increase densities would also require changes to the Municipal Code to increase the allowed number of units per parcel.
Impact on Development Feasibility	<i>Provides enhanced development feasibility</i> – Increasing allowable densities can improve the economic feasibility of residential projects through the reduced cost per unit to construct, as well as reduced cost to maintain infrastructure.
Impact on Established Single	<i>Has potential to change character of established residential neighborhoods</i> – Depending on the level of density increase and the land use designations/zones

Review Criteria	Option 6 Discussion
Family Neighborhoods	affected, the density increase could create incompatibility with surrounding uses.
Impact on Housing Mix	<i>Increases mix of housing types</i> – Increased densities will allow for a greater variety of housing types, particularly for mid-rise buildings.
Timing	<i>Long Term (>2 years)</i> – CEQA document required but could be included in the comprehensive general plan update.
CEQA	<p>If included with a comprehensive update, would be included with EIR for General Plan Update.</p> <p>If done as a stand-alone project, a Supplemental EIR would likely be required.</p>

OPTIONS COMPARISON CHART

Option	1. Infill Development Ordinance	2. Small Lot Subdivision Ordinance	3. SB 10 Ordinance
Purpose/Big Idea	Create flexibility in the zoning code to allow for development of existing residential lots that do not meet the current minimum development standards (substandard lots)	Increase the number of residential lots by allowing existing lots to be subdivided into smaller lots. Lots must conform with the densities in the General Plan.	Rezone parcels using SB 10 to allow up to 10 dwelling units per parcel
Impact on Increasing Residential Density	Within General Plan limits	Within General Plan limits	Increase General Plan limits
Impact on Increasing Housing Unit Production	Low	Low	Moderate to High
Level of Community Interest	Unlikely to result in strong community interest, either positive or negative	Community opposition likely	Community opposition likely
Impact on City Financial/Staffing Resources	Temporary increased need for resources for development of measures or actions	Temporary increased need for resources for development of measures or actions	Temporary increased need for resources for development of measures or actions
Consistency with Adopted Plans/Regulations	Consistent with overall intent, minor amendment(s) needed	Consistent with overall intent, minor amendment(s) needed	Not consistent; changes required
Impact on Development Feasibility	Provides enhanced development feasibility	Provides enhanced development feasibility	Provides enhanced development feasibility
Impact on Established Single Family Neighborhoods	Has potential to change character of established residential neighborhoods	Has potential to change character of established residential neighborhoods	Likely to result in significant change to established residential neighborhood
Impact on Housing Mix	Moderate or uncertain increase in mix of housing types	Increases mix of housing types	Increases mix of housing types
Timing	Short Term (<1 year)	Short Term (<1 year)	Medium Term (1-2 years)
CEQA	Exempt per Section 15060(c)(2), 15061(b)(3)	Exempt per Section 15060(c)(2), 15061(b)(3)	Exempt per Government Code Section 65913.5(a)(3)

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Option	4. Density Transfer Program	5. Require Minimum Densities	6. Increase General Plan/Zoning Densities
Purpose/Big Idea	Develop a density transfer program to increase densities on undeveloped and underdeveloped lots.	Amend the General Plan and Zoning Code to require minimum residential densities	Amend the General Plan to increase residential densities
Impact on Increasing Residential Density	Within General Plan limits	Within General Plan limits	Increase General Plan limits
Impact on Increasing Housing Unit Production	Moderate	Low to Moderate	Moderate to High
Level of Community Interest	Unlikely to result in strong community interest, either positive or negative	Community opposition likely	Community opposition likely
Impact on City Financial/Staffing Resources	Long-term increased need for resources, staffing to manage/monitor	No additional resources required if included in comprehensive General Plan Update Temporary increased need for resources for development of measures or actions if adopted separate from the comprehensive General Plan Update proces	No additional resources required if included in comprehensive General Plan Update Temporary increased need for resources for development of measures or actions if adopted separate from the comprehensive General Plan Update proces
Consistency with Adopted Plans/Regulations	Consistent with overall intent, minor amendment(s) needed	Consistent with overall intent, minor amendment(s) needed	Not consistent; changes required
Impact on Development Feasibility	Provides enhanced development feasibility	Unknown effect on development feasibility	Provides enhanced development feasibility
Impact on Established Single Family Neighborhoods	Has potential to change character of established residential neighborhoods	Does not change character of established residential neighborhoods	Has potential to change character of established residential neighborhoods
Impact on Housing Mix	Increases mix of housing types	Moderate or uncertain increase in mix of housing types	Increases mix of housing types
Timing	Medium Term (1-2 years)	Medium Term (1-2 years) if completed independent of the General Plan Update Long Term (>2 years) if included in comprehensive General Plan Update	Long Term (>2 years)
CEQA	Addendum to General Plan EIR	Exempt per Section 15060(c)(2), 15061(b)(3)	EIR - Supplemental or Addendum