

# COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT PLANNING STAFF REPORT

<b>AGENDA ITEM NO.:</b> C.2.	<b>SITE LOCATION:</b> Citywide
<b>HEARING DATE:</b> September 1, 2022	<b>GENERAL PLAN:</b> N/A
<b>CASE NO.:</b> Amendment No. A-035-2022	<b>ZONE:</b> N/A
<b>APPLICANT:</b> City of Garden Grove	<b>APN:</b> N/A
<b>OWNER:</b> N/A	<b>CEQA DETERMINATION:</b> FGPUZA EIR

## **REQUEST:**

A request by the City of Garden Grove to amend Title 9 (Land Use) of the Garden Grove Municipal Code to make focused zoning amendments to implement various policies and programs set forth in the General Plan Housing Element and Land Use Element and to ensure compliance with applicable State housing laws. The City is proposing focused zoning text amendments to Chapters 9.04 (General Provisions), 9.08 (Single-Family Residential Development Standards), 9.12 (Multifamily Residential Development Standards), 9.16 (Commercial, Office Professional, Industrial, and Open Space Development Standards), 9.18 (Mixed Use Regulations and Development Standards), and 9.32 (Procedures and Hearings) of Title 9 of the Municipal Code to update the definitions, development standards, and land use action procedures pertaining to single-family residential development, multiple-family residential development, mixed use development, landscaping standards, transitional and supportive housing, and single room occupancy housing. The City is also proposing to add a new Chapter in Title 9 of the Municipal Code containing and consolidating special regulations pertaining specifically to housing development projects. The proposed focused zoning amendments are intended to implement recent updates to the City’s General Plan Housing Element and Land Use Element and to ensure the City of Garden Grove’s Land Use Code is consistent with all applicable State housing laws.

## **BACKGROUND:**

In recent years, several new and amended State housing laws have been adopted in order to ease local government constraints on housing development – and affordable housing in particular. Some examples of these State laws include the following:

- The Housing Accountability Act (Gov’t Code § 65589.5) prevents cities from applying development standards and findings that are not objective to proposed housing development projects, limits cities’ authority to disapprove or impose certain conditions on proposed housing development projects, and imposes other temporal and procedural limits on cities’ review of housing projects.

- The Housing Crisis Act of 2019 (also known as Senate Bill 330) established laws intended to streamline housing development approvals, require cities to maintain their existing affordable housing stock and protect displaced tenants of affordable housing units, limit cities' authority to rezone property to a lower residential density, and restrict cities from establishing new residential design standards that are not objective.
- The Density Bonus Law (Gov't Code § 65915-65918) requires cities to grant increased density, incentives and concessions, and waivers of development standards to residential developers in exchange for the production of affordable housing units.
- The No Net Loss Law (Gov't Code § 65863) requires that a city make specified findings before it allows development of a parcel at a lower residential density than identified in the city's housing element for that parcel or takes any other administrative, quasi-judicial, or legislative action to reduce, require, or permit the reduction of the allowable residential density for such a parcel.
- The Housing Element Law (Gov't Code §§ 65580 - 65589.11), among other things, requires cities to identify and remove governmental constraints on the production of housing, to treat transitional and supportive housing similarly to other residential dwellings, and to provide for a variety of housing types, including single-room occupancy housing.
- Senate Bill 35 (Gov't Code § 65913.4) requires cities to ministerially review and approve qualifying affordable housing projects.
- Government Code §65651, *et. seq.* and §65660, *et. seq.* require cities to allow certain supportive housing projects and low-barrier navigation centers as uses by right.

In 2021, the City Council adopted a Focused General Plan Update and related Zoning Amendments (collectively, the "FGPUZA"), which included General Plan Amendment No. GPA-003-2021, consisting of updates to the General Plan Housing Element, Land Use Element, and the Safety Element, and adoption of a new General Plan Environmental Justice Element to comply with State law provisions, including complying with the 6<sup>th</sup> Cycle (2021-2029) of the Regional Housing Needs Assessment (RHNA) that requires the City to plan for 19,168 residential dwelling units for all income levels during the 2021-2029 planning period. Amendment No. A-035-2022 is a continuation of the efforts initiated by the previously adopted FGPUZA. It includes various focused text amendments throughout Title 9 (Land Use) of the Garden Grove Municipal Code to implement various policies and programs set forth in the General Plan Housing Element and Land Use Element and to ensure compliance with applicable State housing laws. The updated Housing and Land Use Elements contain the following policies and programs, among others, that will be implemented by the proposed FZA:

- Housing Element Policy H-2.3: "Regulatory Incentives. Provide density bonuses and other financial and regulatory incentives to facilitate the development of affordable housing."
- Housing Element Policy H-2.6: "Preserve Affordable Housing Supply. Preserve the City's supply of affordable rental housing units, including preserving all units at risk of converting from affordable housing to market-rate housing."
- Housing Element Policy H-3.1: "Maintain land use policies and regulations that create capacity for development of a range of residential development types that can fulfill local housing needs, including accessory dwelling units, low-density single-family uses, moderate-density townhomes and middle housing, higher-density apartments and condominiums, senior housing, and mixed-use projects."
- Housing Element Policy H-3.2: "Provide adequate sites to encourage housing development that will meet the needs of all income groups."
- Housing Element Policy H-4.1: "Residential Development Standards. Review and adjust residential development standards, regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and construction to determine the constraints on housing development."
- Housing Element Policy H-4.3: "Housing Legislation. Monitor State and federal housing-related legislation, and update City plans, ordinances, and processes pursuant to such legislation to remove or reduce governmental constraints."
- Housing Element Policy H-5.4: "Special Housing Needs Accessibility. Broaden the accessibility and availability of housing to special needs residents such as the homeless, disabled, developmentally disabled, elderly, large households, families with children, and female-headed households."
- Housing Element Program 8: Residential Sites Inventory and Monitoring of No Net Loss
- Housing Element Program 13: Special Needs Housing.
- Housing Element Program 16: Objective Design Standards.
- Housing Element Program 17: Zoning Code Update.
- Housing Element Program 23: Reasonable Accommodation.
- Land Use Element Implementation Program LU-IMP-1D: "Periodically review Zoning Code provisions to ensure that standards and project review processes further the City's housing production and economic development objectives."

- Land Use Element Policy LU-3.2: "Support development of multi-family housing that provides a diversity of densities, types, and prices that meet the needs of all household income levels."
- Land Use Element Policy LU-3.3: "Encourage developers to build housing projects at maximum allowable densities."
- Land Use Element Implementation Program LU-IMP-3B: "Require that the design of multi-family housing in mixed-use areas and major corridors provide a buffer between the corridor and lower-density residential areas."
- Land Use Element Implementation Program LU-IMP-3C: "Require attractive side and rear facades and landscaping on multi-family housing and mixed-use structures to improve the streetscape and create a visual transition to lower-density residential areas."
- Land Use Element Implementation Program LU-IMP-3E: "Use programs and incentives outlined in the Housing Element to produce all types of desired multi-family housing."

To help cities and counties prepare, adopt, and implement plans and process improvements that facilitate housing approvals in accordance with State laws, the State established the SB 2 Planning Grants Program and the Local Early Action Planning (LEAP) Grant Program, which provide funding and technical assistance to all local governments in California.

The City of Garden Grove was awarded grant funding through the SB 2 and LEAP Planning Grant Programs. The City has leveraged these funds, in part, to support the completion and adoption of focused zoning code amendments.

#### Purpose of the Focused Zoning Amendments (FZA):

The primary purpose of the proposed focused zoning amendments (FZA) is to implement recent updates to the City's General Plan Housing Element and Land Use Element and to ensure the City of Garden Grove's Land Use Code is consistent with all applicable State housing laws, including, but not limited to, the Housing Accountability Act, the Housing Crisis Act, the State Density Bonus Law, and the Housing Element Law. In addition, the proposed FZA are intended to: clarify existing provisions in the Municipal Code applicable to housing developments and landscaping requirements; respond to challenges developers and the City have experienced with implementing some existing mixed-use development standards; establish objective design standards that inspire quality design; and provide clear expectations for applicants, decision makers, and residents.

On April 21, 2022, City Staff, along with its consultant, MIG, conducted an initial study session, open to the public, with the Planning Commission during which a general overview was provided on the proposed code updates and changes. On May 10, 2022, a similar study session, also open to the public, was conducted with the

City Council. Feedback received from the Planning Commission and City Council included recommendations to address the following:

- Requiring building step backs for the second story and above
- Requirements for varied façade materials
- Requirements for “four-sided architecture”, ensuring that all sides of a building incorporate high-quality building details and finishes
- Removing the existing bathroom limitation for single-family dwellings
- Requiring operational requirements for supportive/transitional housing
- Requiring anti-graffiti provisions (e.g., crawling vines) for public facing perimeter walls

All recommended items above were incorporated into the proposed zoning text amendments.

On August 4, 2022 and August 9, 2022, second study sessions, open to the public, were held with the Planning Commission and City Council, respectively, where an overview was provided on the proposed code updates and changes. Prior to the study sessions, clean and redline versions of the draft proposed zoning text amendments were provided to the Planning Commission and City Council and were also made available to the public on the City’s website ([gcity.org/planning](http://gcity.org/planning)).

The proposed FZA are substantively the same as presented at the August 4, 2022 Planning Commission and August 9, 2022 City Council meetings. Minor non-substantive changes recommended by City Staff, include the following:

- In Exhibit “B”, Chapter 9.08 (Single-Family Residential Development Standards):
  - Page 1, Section 9.08.030.020.C.2 (Planned Unit Development), Staff updated the minimum site area for Planned Unit Developments from three acres to one acre for residential developments.
  - Pages 2 through 8, Section 9.08.030.060 (Density Bonuses and Other Incentives for Affordable Housing), Staff removed the existing density bonus provisions in Chapter 9.08 in conjunction with the adoption of updated density bonus regulations to be consolidated as a new section in proposed new Chapter 9.60.
- In Exhibit “C”, Chapter 9.12 (Multifamily Residential Development Standards):
  - Page 2, Section 9.12.030.020.C.2 (Planned Unit Development), Staff updated the minimum site area for Planned Unit Developments from three acres to one acre for residential developments.
  - Pages 2 through 8, Section 9.12.030.070 (Density Bonuses and Other Incentives for Affordable Housing), Staff removed the existing density bonus provisions in Chapter 9.12 in conjunction with the adoption of updated density bonus regulations to be consolidated as a new section in proposed new Chapter 9.60.
  - Page 11, Section 9.12.040.020 (Residential – General Development Standards), R-2 and R-3 Development Standards Table, Staff updated the setback requirements to clarify that setback standards for second

and third floor building areas are applicable to properties zoned R-2 and R-3.

- In Exhibit "E", Chapter 9.18 (Mixed Use Regulations and Development Standards):
  - Page 17, Table 9.18-4: Development Standards for the Civic Center Mixed Use Zones, under the CC-1 zone, Staff updated the Side Setback, which originally stated "Minimum 5 ft", to now reflect the same setback language for the Rear Setback, which states, "None required unless abutting a residentially zoned lot; minimum 5 ft when abutting a residentially zoned lot. See Section 9.18.100."

## **DISCUSSION:**

### **AMENDMENT:**

The proposed FZA will make text amendments to the following chapters of Title 9 of the Municipal Code to update the definitions, development standards, and land use action procedures pertaining to single-family residential, multiple-family residential, mixed use, landscaping standards, transitional and supportive housing, and single room occupancy housing:

- Chapter 9.04 (General Provisions)
- Chapter 9.08 (Single-Family Residential Development Standards)
- Chapter 9.12 (Multifamily Residential Development Standards)
- Chapter 9.16 (Commercial, Office Professional, Industrial, and Open Space Development Standards)
- Chapter 9.18 (Mixed Use Regulations and Development Standards)
- Chapter 9.32 (Procedures and Hearings)

The addition of a new chapter (Chapter 9.60) in Title 9 of the Municipal Code, titled "Special Housing Regulations", containing and consolidating special regulations pertaining specifically to housing development projects is also proposed.

Title 9 (Zoning) of the Municipal Code is available at the following web address: [https://library.qcode.us/lib/garden\\_grove\\_ca/pub/municipal\\_code/item/title\\_9](https://library.qcode.us/lib/garden_grove_ca/pub/municipal_code/item/title_9)

The specific zoning text amendments proposed are attached to this Staff Report as Exhibits A-H. It should be noted that only those sections of Title 9 of the Municipal Code that are proposed to be amended are attached. All other sections of Title 9 of the Municipal Code, that are not attached, do not have proposed changes.

The following discussion will provide brief summaries and highlights of the proposed updates and changes in each of the above chapters.

### **Chapter 9.04 (General Provisions)**

Under Municipal Code ("Code") Chapter 9.04 (General Provisions), the following Subsections are proposed to be amended:

- 9.04.030 (Authority)
- 9.04.060 (Definitions)

Updates and changes to the above Subsections of Chapter 9.04 (General Provisions) include, but are not limited to, the following:

- Clarifying that wherever in the Code it makes reference to "City Manager or Designee", that the "Designee" shall mean the "Department Director".
- Eliminating outdated references to the Environmental Review Board within the subsection describing the Planning Coordinating Committee.
- Adding new and replacement definitions for "Department Director", "Low-barrier navigation center", "Open Space, Active", "Open Space, Passive", "Playing courts", "Single room occupancy (SRO)", "Supportive housing", "Supportive housing for the homeless", and "Transitional housing" in conjunction with other proposed amendments.

### **Chapter 9.08 (Single-Family Residential Development Standards)**

The intent of the proposed amendments to Chapter 9.08 is to codify existing policies for single-family residential improvements, not expressly written in the Municipal Code, aimed at addressing impacts on city infrastructure, and on-site and on-street parking, to provide clearer and more objective direction to developers and property owners, and to conform zoning regulations regarding transitional and supportive housing to existing State law.

Under Municipal Code Chapter 9.08 (Single-Family Residential Development Standards), the following Subsections are proposed to be amended:

- 9.08.020.030 (Uses Permitted, Table 1, City of Garden Grove Land Use Matrix)
- 9.08.030.060 (Density Bonuses and Other Incentives for Affordable Housing)
- 9.08.040.020 (Residential – General Development Standards)
- 9.08.040.030 (Special Requirements - R-1 Zone)
- 9.08.040.050 (Landscaping - General Provisions)
- 9.08.040.060 (Landscaping Requirements)

Updates and changes to the above Subsections of Chapter 9.08 (Single-Family Residential Development Standards) include, but are not limited to, the following:

- Per State law, specifying that transitional and supportive housing are permitted in residential zoning districts subject to the same approval requirements, development standards, and restrictions that apply to other residential dwellings of the same type in the same zone, which shall be determined by the City based upon the predominant characteristics of the use, and eliminating distinctions based on the number of persons.

- Removing the existing density bonus provisions in Chapter 9.08 in conjunction with the adoption of updated density bonus regulations to be consolidated as a new section in proposed new Chapter 9.60.
- Removing the restriction on the maximum number of bathrooms allowed for residential dwellings.
- Establishing objective single-family interior design standards pertaining to bathroom location and access, direct access between bedrooms and communal areas, sinks and wet bars, stairwell location and external staircase access.
- Establishing minimum interior dimensions and related objective requirements for enclosed garages.
- Establishing objective design standards for detached accessory structures to ensure they are designed and used as non-habitable structures (as required by the California Building Code) and objective minimum separation requirements between detached accessory structures and all other structures on-site.
- Updating the landscaping standards to provide clearer and more objective direction to developers and property owners and to provide more flexibility regarding acceptable types of landscaping, groundcover, and substitute landscaping to account for drought conditions.

### **Chapter 9.12 (Multifamily Residential Development Standards)**

The intent of the proposed amendments to Chapter 9.12 is, in part, to ensure all development standards in the Municipal Code that are applicable to multifamily housing development projects in the R-2 (Limited Multiple Residential) and R-3 (Multiple-Family Residential) zones, are objective and in compliance with State housing laws.

Under Municipal Code Chapter 9.12 (Multifamily Residential Development Standards), the following Subsections are proposed to be amended:

- 9.12.020.030 (Uses Permitted, Table 1, City of Garden Grove Land Use Matrix)
- 9.12.030.060 (Density Bonuses and Other Incentives for Affordable Housing)
- 9.12.040.010 (Multifamily Residential - General Requirements)
- 9.12.040.020 (Residential - General Development Standards)
- 9.12.040.030 (Special Requirements - Single-Family Homes in R-2 and R-3 Zones)
- 9.12.040.040 (Special Requirements - Duplex and Triplex in R-2 and R-3 Zones)
- 9.12.040.050 (Special Requirements - Multiple-Family Residential)
- 9.12.040.060 (Special Requirements - Small Lot Subdivisions)
- 9.12.040.080 (Landscaping - General Provisions)
- 9.12.040.090 (Landscaping Requirements)

Updates and changes to the above Subsections of Chapter 9.12 (Multifamily Residential Development Standards) include, but are not limited to, the following:

- Per State law, specifying that transitional and supportive housing are permitted in residential zoning districts subject to the same approval requirements,



development standards, and restrictions that apply to other residential dwellings of the same type in the same zone, which shall be determined by the City based upon the predominant characteristics of the use, and eliminating distinctions based on the number of persons.

- To comply with State housing law, allowing "Supportive Housing for the Homeless" as a permitted use by right in the R-2 and R-3 zones, subject to statutory requirements described in new proposed Section 9.60.070.
- To comply with State housing law, allowing Single Room Occupancy (SRO) as a permitted use by right in the R-3 zone and establishing new SRO regulations and development standards (Section 9.12.050).
- Removing the existing density bonus provisions in Chapter 9.12 in conjunction with the adoption of updated density bonus regulations to be consolidated as a new section in proposed new Chapter 9.60.
- Establishing updated objective requirements for screening and location of mechanical equipment.
- Replacing confusing on- and off-site building separation requirements with clear, objective building setback and stepback requirements for first, second, and third floors.
- Removing the restriction on the maximum number of bathrooms allowed for residential dwellings.
- Updating the development and design standards for duplex and triplex developments in the R-2 and R-3 zones and Small Lot Subdivisions to ensure they are objective.
- Updating privacy provisions to better protect and mitigate views into private recreation areas on adjacent properties.
- Requiring anti-graffiti provisions (e.g., crawling vines) for public facing perimeter walls.
- Updating building separation requirements for on-site accessory buildings, parking areas, and driveways.
- Removing restrictive sliding scale R-3 zone density table, "Table of Development Density R-3 Zone", and establishing maximum residential densities consistent with General Plan maximum densities, which are 21 units per acre for the R-2 zone, and 32 units per acre for the R-3 zone.
- Establishing maximum building height requirements for multifamily residential buildings when adjacent to R-1 (Single-Family Residential) zoned property.
- Reducing the minimum private storage requirement.
- Updating private and common open space and recreation area requirements, for multifamily developments, to allow for greater flexibility in the location, size, and type of amenities provided, while maintaining (no change or reduction to) the current standard of 300 square feet of private/common open space required. Allowing rooftop decks and indoor spaces to count towards common recreation area requirement.
- Updating the landscaping standards to provide clearer and more objective direction to developers and property owners and to provide more flexibility regarding acceptable types of landscaping, groundcover, and substitute landscaping to account for drought conditions.

### **Chapter 9.16 (Commercial, Office Professional, Industrial, and Open Space Development Standards)**

The intent of the proposed amendments to Chapter 9.16 is, in part, to comply with State law in regards to Low-Barrier Navigation Centers and to update existing landscaping standards.

Under Municipal Code Chapter 9.16 (Commercial, Office Professional, Industrial, and Open Space Development Standards), the following Subsections are proposed to be amended:

- 9.16.020.030 (Uses Permitted, Table 1, City of Garden Grove Land Use Matrix)
- 9.16.040.060 (Landscaping - General Provisions)
- 9.16.040.070 (Landscaping Requirements)
- 9.16.040.120 (Walls, Fences and Hedges)

Updates and changes to the above Subsections of Chapter 9.16 (Commercial, Office Professional, Industrial, and Open Space Development Standards) include, but are not limited to, the following:

- To comply with State housing law, allowing Low-Barrier Navigation Centers as a permitted use by right within the Emergency Shelter Overlay Zone.
- Updating the landscaping standards to provide clearer and more objective direction to developers and property owners and to provide more flexibility regarding acceptable types of landscaping, groundcover, and substitute landscaping to account for drought conditions.
- Requiring anti-graffiti provisions (e.g., crawling vines) for public facing perimeter walls.

### **Chapter 9.18 (Mixed Use Regulations and Development Standards)**

The intent of the proposed amendments to Chapter 9.18 is, in part, to ensure all development standards in the Municipal Code that are applicable to multifamily housing development projects and certain new mixed use projects (with at least two-thirds residential) in the mixed use zones, are objective and in compliance with State housing law.

Under Municipal Code Chapter 9.18 (Mixed Use Regulations and Development Standards), the following Subsections are proposed to be amended:

- 9.18.010 (Mixed Use Zones – Purpose)
- 9.18.020.030 (Uses Restricted to Indoor, Table 9.18-1, Use Regulations for the Mixed Use Zones)
- 9.18.030.300 (Outdoor Dining at Eating Establishment/Restaurant)
- 9.18.030.360 (Work-Live Units)
- 9.18.090 (Development Standards Specific to Individual Mixed Use Zones)
- 9.18.100 (Development and Design Standards Applicable to All Mixed Use Zones)
- 9.18.110 (Development Standards for Specific Uses in Mixed Use Zones)
- 9.18.120 (Landscaping)

- 9.18.130 (Walls, Fences, and Hedges)
- 9.18.140 (Parking)

Updates and changes to the above Subsections of Chapter 9.18 (Mixed Use Regulations and Development Standards) include, but are not limited to, the following:

- Allowing stand-alone multiple-family residential development, with no pedestrian plaza required, in the NMU zone for sites that do not have access to arterial streets.
- Per State law, specifying that transitional and supportive housing are permitted in residential zoning districts subject to the same approval requirements, development standards, and restrictions that apply to other residential dwellings of the same type in the same zone, which shall be determined by the City based upon the predominant characteristics of the use. To comply with State housing law, allowing "Supportive and Transitional Housing" as a permitted use by right in certain mixed use zones.
- To comply with State housing law, allowing "Supportive Housing for the Homeless" as a permitted use by right in certain mixed use zones, subject to requirements of Section 9.60.070.
- To comply with State housing law, allowing "Low-Barrier Navigation Center" as a permitted use by right in certain mixed use zones, subject to requirements of Section 9.60.070.
- Allowing Single Room Occupancy (SRO) as a permitted use by right in the certain mixed use zones.
- Updating standards that pertain to enhancement of pedestrian areas in and along public right-of-ways (sidewalk areas and building frontages).
- Incorporating clear building design standards that require a minimum number of architectural components that may be selected from a provided list of exterior finishes. Requiring enhancements to all building elevations ("4-sided architecture") for new mixed use buildings with at least two-thirds residential.
- For residential components of integrated mixed use developments, establishing updated private and common open space and recreation standards, to allow for greater flexibility in the location, size, and type of amenities provided, while maintaining (no change or reduction to) the current standard of 300 square feet of private/common open space required. Allowing rooftop decks and indoor spaces to count towards common recreational area requirement.
- Updating the landscaping standards to provide clearer and more objective direction to developers and property owners and to provide more flexibility regarding acceptable types of landscaping, groundcover, and substitute landscaping to account for drought conditions.
- Requiring anti-graffiti provisions (e.g., crawling vines) for public facing perimeter walls.

### **Chapter 9.32 (Procedures and Hearings)**

The intent of the proposed amendments to Chapter 9.32 is to update the procedural provisions for review of land use actions to comport with current State law, other Land Use Code provisions, other proposed Code amendments, and current practice and to codify a procedure for consideration of reasonable accommodation requests.

Under Municipal Code Chapter 9.32 (Procedures and Hearings), the following Subsections are proposed to be amended:

- 9.32.010 General Provisions
- 9.32.030 Land Use Actions

Updates and changes to the above Subsections of Chapter 9.32 (Procedures and Hearings) include, but are not limited to, the following:

- Expressly delegating authority to the Director of Community and Economic Development to interpret the meaning and applicability of Land Use Code provisions.
- Updating and simplifying project environmental review procedures and provisions to be consistent with State law.
- Making the City Council the final approval authority for all land use actions that also require approval of an action by the City Council (such as a zone change, Code amendment, or General Plan amendment).
- Consistent with the Housing Accountability Act, eliminating the requirement for subjective findings for approval of housing development projects.
- Updating cross-references to other Code provisions.
- Including “no net loss” provisions and findings for certain land use actions, in accordance with Government Code Sections 66300 and 65863.
- Adding an additional finding for approval of a variance required by State law.
- Updating the required findings for approval of a duplex or triplex to be consistent with the Housing Accountability Act.
- Pursuant to Program 23 of the Housing Element, adding specific procedures for review and consideration of requests for reasonable accommodation in the provision of housing consistent with state and federal fair housing laws.

### **Chapter 9.60 (Special Housing Regulations)**

The purpose of this new Land Use Code Chapter is to implement specified provisions of State law pertaining to local regulation of housing development projects, including, but not limited to, the State Density Bonus Law, the Housing Accountability Act, the Housing Crisis Act of 2019, the No Net Loss Law, and the Housing Element Law.

New provisions under Municipal Code Chapter 9.60 (Special Housing Regulations) include, but are not limited to, the following:

- Provisions specifying the findings required for disapproval of housing development projects, including additional findings required for affordable

housing projects, consistent with the Housing Accountability Act (Gov't Code §65589.5).

- Separate procedures for the ministerial and discretionary review of housing development projects and related land use actions, which are consistent with the Housing Accountability Act and other State housing laws.
- Provisions expressly delegating authority to the Department Director to review and approve housing development projects that are subject to ministerial review by law and to conduct the initial determination of a housing development project's compliance and conformance with applicable, objective general plan, zoning, and subdivision standards and criteria and providing written notice to the applicant within 30 or 60 days, as required by the Housing Accountability Act (Gov't Code §65589.5(j)).
- Provisions specifying what the City and applicants must do to comply with the "no net loss" provisions of the Housing Crisis Act (Gov't code §66300) and the State No Net Loss Law (Gov't Code §65863). This section includes a requirement that applicants provide specified assistance to the City to comply with the "no net loss" requirements when the applicant is seeking to develop a site identified for housing in the City's Housing Element in a manner that would result in the remaining sites identified in the City's Housing Element not being adequate to accommodate the City's RHNA.
- A section that updates and consolidates in a single location in the Code the City's residential density bonus regulations pursuant to Government Code 65915.
- A new section establishing minimum requirements and procedures for the preparation, execution, and recording of affordable housing regulatory agreements (such as density bonus agreements) containing affordability covenants for housing units when such agreements are required by State law or another provision of the Code. This section delegates authority to the City Manager to approve, execute, and implement such agreements. This section also makes applicants responsible for reimbursing the City for professional fees and costs incurred by the City to prepare such regulatory agreements, as well as the City's annual monitoring costs for these agreements.
- A new section implementing the Housing Crisis Act provisions that require developers to replace demolished affordable housing units and to provide relocation assistance and other benefits to existing occupants of such units (Gov't Code §66300(d). These provisions are intended to provide clear guidance to applicants, City staff, and affected tenants to assist with compliance with these State mandated requirements. This section also makes applicants responsible for reimbursing the City for professional fees and costs incurred by the City to implement these State mandates.
- A section specifying the applicable legal requirements and review and approval procedures for transitional and supporting housing projects, including "Supportive Housing For the Homeless" and "Low-Barrier Navigation Centers," pursuant to State law.

Cost Assessment:

Policy H-4.2 of the Housing Element provides for the City to assess proposed ordinances and policies affecting housing development for effect on housing cost, recognizing that some increases in housing costs might be offset by decreases in other household costs.

The primary intent of many of the proposed Code amendments is to provide clearer, more objective, standards and guidance for developers, which is anticipated to result in more regulatory certainty and streamlined processing and review for housing development projects. This should lower overall development costs for housing projects.

Although developers will experience higher costs for implementing State housing law mandates, such as providing replacement housing and tenant relocation benefits per the Housing Crisis Act and entering into affordable housing regulatory agreements, such increased costs are a direct result of State law and private development decisions, not the proposed new City Land Use Code provisions implementing the State law.

The proposed Code amendments do include provisions requiring developers and applicants to provide assistance to the City in complying with State “no net loss” requirements (as authorized by State law) and to reimburse the City for certain additional third-party professional fees and costs and ongoing monitoring costs associated with affordable housing regulatory agreements and relocation plans for displaced tenants per the Housing Crisis Act mandates. Although housing development costs may be marginally higher as a result of developers having to bear these costs, these requirements will help enable the City to meet its RHNA obligations, to effectively monitor and ensure deed restricted affordable housing units continue to be provided at an affordable rent or housing cost, and to ensure that tenants of affordable protected units, that are displaced as part of a new housing development, are able to find new housing at a comparable cost.

California Environmental Quality Act:

In conjunction with this request, the City of Garden Grove will consider a determination that no further review under the California Environmental Quality Act (“CEQA”) is required pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162 because the proposed focused zoning amendments implement the General Plan update analyzed in the City of Garden Grove Focused General Plan Update and Zoning Amendments Environmental Impact Report, State Clearinghouse No. 2021060714 (“Garden Grove General Plan Update and Focused Zoning Amendments”), potential impacts of the focused zoning amendments fall within the scope of the General Plan Update EIR, and the focused zoning amendments will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts.

**RECOMMENDATION:**

Staff recommends that the Planning Commission:

1. Adopt Resolution No. 6051-22, recommending approval of Amendment No. A-035-2022 to the City Council.

LEE MARINO  
Planning Services Manager



By: Chris Chung  
Urban Planner