**AGENDA ITEM No. 4** 



September 3, 2020

CHAIR AND PLANNING COMMISSIONERS City of Long Beach California

### **RECOMMENDATION:**

Recommend that the City Council determine that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15305 (Class 5 – Minor Alterations to Land Use Limitations) of the CEQA Guidelines and none of the exceptions in 15300.2 apply; and that is further exempt pursuant to Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) and Section 15061(b)(3) (Common Sense Exemption), as it will not result directly or indirectly in significant environmental impacts. (CE20-091); and

Recommend that the City Council adopt Zoning Code Amendment ZCA20-013, consisting of amendments to Title 21 of the Long Beach Municipal Code (LBMC) related to the following: 21.66 establishing a process to allow the legalization of existing, unpermitted units, subject to provisions outlined in the proposed ordinance. (Citywide)

# APPLICANT: City of Long Beach, Development Services Department 411 West Ocean Boulevard, 3rd Floor Long Beach, CA 90802 (Application No. 2003-11)

## BACKGROUND

The City of Long Beach has housing units that have developed over time without building permits. These units provide much needed housing, tend to be naturally occurring affordable units, and fulfill an important niche in the housing market. These units, which generally represent one or two units carved out of ancillary spaces like laundry rooms or storage areas, or which have resulted from modest additions in existing otherwise legally permitted multifamily buildings, may exceed the number of dwelling permitted by the zone or otherwise be out of compliance with underlying zoning regulations and development standards.

Currently, there is no clear pathway to encourage the rehabilitation and preservation of these units, and in some instances, these units must be removed to bring a property into compliance with zoning regulations. The proposed ordinance creates an amnesty program to legalize these informal units. Preservation of existing occurring affordable housing units has been identified as a goal of the City. It is consistent with and implements Everyone Home recommendation 2e "to expand the number of rent-stabilized units," and Policy 1.1 of the 2017 report prepared by the Mayor's Affordable and Workforce Housing Study Group and adopted by City Council "to encourage the preservation of existing housing stock, consistent with the City's adopted Housing Element." Preservation of existing housing units is also a goal of the City's adopted Housing Element.

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Moreover, the City is currently in the process of updating its Housing Element, in accordance with state law, and is pursuing a number of housing ordinances and initiatives that will aim to increase housing supply and enable the City to meet its Regional Housing Needs Assessment (RHNA) obligation under the Housing Element.

## DISCUSSION

The proposed amendment would add a new section to Title 21 of the City's Municipal Code that would allow the preservation of informal dwelling units by exempting them from zoning regulations, such as density restrictions and parking and setback requirements. Compliance with zoning regulations can pose a barrier to the legalization of these units and exempting them from such provisions of the Zoning Code can serve to preserve this important component of the City's housing stock.

The legalization of these units would be permitted with approval by the Site Plan Review Committee and would be appealable only by the applicant to the Planning Commission. By creating a process to legalize these informal units, the City would be able to conduct building inspections and bring the units into compliance with applicable fire, life and safety standards to ensure the safety and habitability of the units. In exchange for legalization, applicants would be required to record an affordability covenant on the property reserving the unit as a income restricted housing unit for a period of 10 years. The required affordability level will be the lower of the existing tenant's income level or a moderate-income rent restriction. In the instance where the income of the current tenant is above the median income, then the 10-year affordability period would be deferred and would start when the unit is occupied by a tenant whose income meets the income restriction, i.e. has an income that is defined as moderate income or lower. Preservation of these units represents a cost effective and environmentally sensitive way to provide and retain critical affordable housing units in the City.

Units eligible for this amnesty program are those are in any zone other than the IG and IP industrial zones and have been occupied for more than 30 continuous days prior to December 31, 2016. The units would additionally be subject to an annual covenant monitoring fee, so the City can ensure that the units are being retained as income-restricted units for the life of the covenant.

### SUMMARY OF COMMUNITY ENGAGEMENT AND PUBLIC COMMENT

The community outreach for the proposed Zoning Code amendment was conducted as part of the Housing Element Update outreach process. A community forum was held on August 12, 2020, during which the proposed informal dwelling unit amnesty program was presented to community members. The meeting was attended by a total of 40 community members. The inquiries and comments at that meeting spanned a wide range of housing-related topics. Many of the inquiries pertained to other housing-related initiatives such as a proposed micro-unit pilot program and the Inclusionary Housing policy. A couple of inquiries were made about the subject ordinance, but no substantive feedback was provided.

### **PUBLIC HEARING NOTICE**

In accordance with public hearing notification requirements for a Zoning Code Amendment in Long Beach Municipal Code (LBMC) Section 21.21.302.C, notice of this public hearing was published in the Long Beach Press-Telegram on August 19, 2020. Due to the declared state of emergency, notices were not provided to City libraries (they are closed), notice posting was provided at City Hall but not at multiple locations. A notice CHAIR AND PLANNING COMMISSIONERS September 3, 2020 Page 3 of  $\bf 3$ 

of the proposed zoning code amendment was distributed through the City's LinkLB e-mail blast system and to individual stakeholders who have requested notification on this item.

#### **ENVIRONMENTAL REVIEW**

In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the Zoning Code Amendment is exempt from CEQA under Section 15305 (Minor Alterations to Land Use Limitations) and Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) and none of the exceptions in Section 15300.2 apply. Section 15305 exempts projects that consist of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density. The properties affected by this ZCA have an average slope of less than 20%.

The ZCA is further exempt pursuant to Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) and Section 15061(b)(3) (Common Sense Exemption), as it will not result directly or indirectly in significant environmental impacts. The Zoning Code Amendment does not result in any physical changes in the environment because it is limited to amendment of the Zoning Code to allow the preservation of existing housing units, consistent with adopted City plans and policies. The proposed Zoning Code amendment will allow the legalization of existing informal units, enable the City to bring them into compliance with the Building Code, and increase the supply of affordable housing by requiring that they be covenanted restricted affordable units for a period of 10 years for households with moderate income or lower. As the units already exist, the proposed ordinance would not result in new construction and thus would not result in physical impacts to the environment. The proposed ordinance does not change the density, height, intensity of land use, or allowable land uses currently permitted by the underlying zoning.

Respectfully submitted,

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Christopher foor

CHRISTOPHER KOONTZ, AICP DEVELOPMENT SERVICES DEPUTY DIRECTOR

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Attachments:

Exhibit A – Draft Zoning Code Amendment Exhibit B – Findings

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