



Administrative Report

L.1., File # PC23-6621

Meeting Date: 8/17/2023

TO: PLANNING COMMISSION

FROM: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR AND VICTORIA BANFIELD, ASSOCIATE PLANNER

TITLE

DISCUSSION ON CITY COUNCIL REFERRAL TO PLANNING COMMISSION TO CONSIDER URGENCY ORDINANCE 3226-21 AMENDING THE REDONDO BEACH MUNICIPAL CODE TITLE 10, CHAPTERS 1, 2, AND 5, TO PROVIDE OBJECTIVE STANDARDS FOR SENATE BILL 9 (SB9) BY PROVIDING REGULATIONS RELATED TO URBAN LOT SPLITS AND TWO-UNIT PROJECTS SUBJECT TO SENATE BILL 9 (SB9), FOR PLANNING COMMISSION TO REVIEW CITY COUNCIL COMMENTS RELATED TO CERTAIN TOPICS RELATED TO SB9 AND TO PROVIDE FEEDBACK AND OTHER RECOMMENDED REVISIONS TO BE INCLUDED AS PART OF THE IMPLEMENTATION OF A PERMANENT ORDINANCE PERTAINING TO SB9

EXECUTIVE SUMMARY

California Senate Bill 9 (Atkins) (SB9) was signed into law by Governor Newsom on September 19, 2021 and became effective on January 1, 2022 (attached). SB9 requires ministerial approval of the subdivision of a single-family zoned parcel into two approximately equal parcels and/or the development of two residential units per lot in single-family zones. Additionally, Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) may be allowed on those parcels where urban lot splits are not utilized. The new law allows local agencies to adopt objective standards to govern these types of projects, yet imposes restrictions on what agencies can require, including limits on parking and setback requirements.

On November 16, 2021, the City Council discussed possible objective standards that could be adopted to address SB9 and directed staff to prepare an urgency ordinance to include staff recommendations and specific comments from Council. The item was again considered by the City Council at the December 14, 2021 meeting. At that meeting City Council suggested changes to the urgency ordinance that required additional review, and City Council continued the item to the December 21, 2021 meeting to provide time for those revisions to be considered. The Urgency Ordinance was adopted by City Council on December 21, 2021 for an initial 45- day period.

The interim Urgency Ordinance was in effect for 45 days from the date of its adoption, with the option for the City Council to extend the Urgency Ordinance for an additional period of time in accordance with California Government Code Section 65858, for up to an additional 22 months and 15 days beyond the original 45-day period. Per Government Code Section 65858(d), "ten days prior to the expiration of that interim ordinance or any extension, the legislative body shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of the ordinance."

At the January 18, 2022 City Council meeting, the City Council as the legislative body accepted into the record the official report to meet the obligations of Government Code Section 65858(d).

On February 1, 2022, City Council held a public hearing and approved the extension of the Urgency Ordinance for an additional 22 months and 15 days through December 20, 2023 in order to further study appropriate objective standards to include as part of the implementation of a permanent ordinance pertaining to SB9.

The City Council also referred this item to the Planning Commission for their consideration, including review of specific topics noted in this report and to provide feedback to City Council on revisions that should be included as part of the implementation of a permanent ordinance.

BACKGROUND

California Senate Bill 9 (Atkins) (SB9) was signed into law by Governor Newsom on September 19, 2021 and became effective on January 1, 2022. SB9 requires cities and counties, including charter cities, to provide for the ministerial approval of a housing development in a single-family residential zone that will split the lot, add a second home on the lot, or both. The new legislation eliminates discretionary review and public oversight of the proposed subdivision of one lot into two parcels, by removing public notice requirements and hearings by the Planning Department. The bill exempts SB9-qualifying projects from environmental review as required by the California Environmental Quality Act (CEQA). The bill also exempts a local agency from being required to hold public hearings for coastal development permit applications for housing developments and urban lot splits pursuant to SB9.

There are some areas where a municipality may implement objective standards that may help address the impacts of these projects. Based on prior City Council discussion and direction, the following are the local regulations that were included in the City's Urgency Ordinance.

Local Regulations for Lot Splits:

- Require only "individual property owner" can apply for an urban lot split, not corporations or corporate persons.
- Reiterate limits for sites with certain circumstances as established by SB9 (i.e., wetland, hazardous waste sites, flood hazard area, etc.).
- Prohibit lot split on historic property or within historic district.
- Specify that lot being split has not previously been split through an urban lot split.
- Specify that lot being split may not be adjacent to parcel that has been split through an urban lot split by same owner or person acting in concert with same owner.
- Reiterate protected housing limits of SB9.
- Reiterate lot size limits of SB9.
- Require easements with public service providers for each resulting lot.
- Mandate that each resulting lot must adjoin the public right of way with minimum frontage of at least 20 feet (ensure viable width of home to be built).
- Limit separate conveyance of dwelling units on same lot (no condominium).
- Specify only residential use, no short-term rentals, and affidavit of owner occupancy.
- Reiterate specific adverse impacts provision of SB9.
- Acknowledge that Coastal regulations apply in full.

Local Regulations for Two-Unit Developments (both inland and coastal):

- Require only “individual property owner” can apply for a two-unit project, not corporations or corporate persons.
- Require that the lot on which the two-unit project is proposed must have been legally subdivided.
- Reiterate limits for sites with certain circumstances as established by SB9 (i.e., wetland, hazardous waste sites, flood hazard area, etc.).
- Prohibit two-unit project on historic property or within historic district.
- Reiterate protected housing limits of SB9.
- Specify that no more than two dwelling units of any kind may be built on a lot resulting from an urban lot split.
- Specify that if not an urban lot split, limit to the two units plus ADU and JADU as allowed by State law and the City’s ADU ordinance.
- Limit the demolition to only 25% unless the site has not been occupied by tenant in last three years.
- Floor Area, outdoor living space, and setbacks to be followed to the extent feasible such that two primary dwelling units on the lot at 800 square feet each are permitted.
- Require new tree for each new unit, or fee in lieu.
- Require tree replacement for mature trees (trunk diameter of 6” or greater), or fee in lieu.
- Limit floor area of second primary unit to 800 square feet.
- Limit height of second primary unit to 16 feet and 1 story.
- Require parking as allowed by SB9.
- Mandate that each primary dwelling unit on a lot must have its own direct utility connections.
- Acknowledge that all structures must comply with all current local building standards.
- Specify that impact fees for additional primary dwelling unit shall be charged, and proportional for ADUs/JADUs as allowed by State regulations.
- Require that all other applicable standards apply to the extent that they do not conflict with State law, including applicable requirements for affordable housing. This will be applicable when inclusionary housing ordinance is adopted.
- Limit separate conveyance of dwelling units on same lot (no condominium).
- Specify only residential use, no short-term rentals; and affidavit of owner occupancy if formed by urban lot split.
- Reiterate specific adverse impacts provision of SB9.
- Acknowledge that Coastal regulations apply in full for coastal zone.

The City Council adopted Urgency Ordinance 3326-21 related to SB9, on December 21, 2021, and subsequently extended the Urgency Ordinance at a public hearing on February 1, 2022 for an additional 22 months and 15 days (for a total of 2 years). The City Council also referred the item to the Planning Commission for their consideration, including review of City Council comments related to the below topics and to provide feedback on other recommended additions or revisions that should be included as part the implementation of a permanent ordinance pertaining to SB9:

- Acknowledge that Redondo Beach is not dominated by single family housing, but rather has a majority of multi-family zoning.

- Examine tree planting requirement to ensure it is adequate.
- Incorporate applicable items from the Climate Action Plan, including requirements for cool roofs, solar panels, grey water systems, electric vehicle charging, greenhouse gas emission reduction.
- Evaluate the individual ownership requirement to properly address corporations.
- Consider an option of requiring owner to occupy, not just addressing intent to occupy.
- Consider a requirement that the design is not to encroach into a required front yard setback before exhausting option to build to the rear and side yard setbacks in order to provide two units of 800 square feet each.
- Review objective standards being considered by other similar municipalities. (Ordinances from Manhattan Beach, Hermosa Beach, Torrance attached)
- Evaluate affordability requirement.

SB 9 APPLICATIONS SUBMITTED TO DATE

Since SB 9 became effective on January 1, 2022, the City has only received one application for an urban lot split and two-unit development. The application was approved ministerially on June 27, 2023. The project included the subdivision of an 8,804 square foot corner-lot into two new parcels with lot sizes of 4,562 square feet and 4,242 square feet within the R-1 Single-Family Residential zone. The project included the demolition of an existing single-family residence, which did not have a tenant within the last 3 years, and the construction of two (2) two-story single-family residences, one on each new lot. One of the lots required a Modification application to allow for a reduced setback to the exterior side property line for the two-car garage due to the topography of the site. Staff was able to make the required findings for approval and noticed the pending decision on the Modification to property owners within a 300-foot radius of the project site. The decision of the Community Development Director for the Modification became final and conclusive on June 23, 2023, the 10th calendar day following the approval date on the notice of the Modification, pursuant to Section 10-2.2508(f) of the Redondo Beach Municipal Code. The proposed two new residences comply with the City's development standards for lots within the R-1 Single-Family Residential zone, with the exception that the proposed side setbacks will be 4 feet, rather than the standard 5 feet and the proposed rear setbacks will be 6 feet and 7 feet, rather than the standard 15 foot minimum for the R-1 zone per the SB 9 requirements.

STATE ADVISORIES TO CONSIDER

The SB9 regulations went into effect on January 1, 2022 (see attached). Several municipalities did adopt regulations immediately. In response, the Department of Housing and Community Development (HCD) issued a fact sheet on SB9 in March 2022 (attached). As well, HCD issued their position on intensity of land use and SB9, addressing concerns with over-reaching ordinances that municipalities adopted, including Temple City.

Included in this agenda packet is the summary sheet of what Temple City adopted, as well as the response from HCD on what is not acceptable in those regulations. This information is to assist you in understanding what a City may and may not implement in their local laws regarding SB9.

DISCUSSION

The Planning Commission held its first consideration of making the urgency ordinance permanent at the February 17, 2022 meeting. This discussion was revisited at the July 20, 2023 Planning Commission meeting to consider the more recent developments related to SB9 implementation in the

State as the Planning Commission evaluates the standards of the urgency ordinance and additional regulations to consider.

The August 17, 2023 meeting will be for the Planning Commission to consider any recommended criteria for the permanent SB9 regulations, taking into consideration the HCD findings and direction. The Planning Division staff will incorporate appropriate changes into the draft regulations for a Planning Commission public hearing in September to recommend the ordinances to the City Council.

Once City Council has evaluated the Planning Commission recommendations, adoption of permanent ordinances (inland and coastal) will be considered by the City Council. Any regulations in the Coastal Zone would require certification by the California Coastal Commission for those regulations to be effective.

This Planning Commission agenda item is to continue the discussion on SB9 regulations and provide direction to staff on additional objective standards that may be warranted in permanent ordinances to address SB9.

ATTACHMENTS

- SB 9 as Approved by Governor 2021-09-16 and Chaptered
- Urgency Ordinance 2021-3226-21
- City Council Administrative Report 2022-01-18 Official Report on Urgency Ordinance Extension
- Urgency Ordinance 2022-3226-21 Extension
- Planning Commission SB9 Presentation 2023-07-20
- Planning Commission SB9 Administrative Report 2023-07-20
- Planning Commission SB9 Administrative Report 2022-02-17
- Planning Commission SB9 Presentation 2022-02-17
- Email from HCD Releasing Fact Sheet 2022-03-25
- HCD Fact Sheet March 2022
- Temple City Urban Lot Split Summary Sheet
- Email from HCD on Position on Intensity of Land Use Addressing Temple City 2022-06-02
- HCD Letter to Temple City 2022-04-29
- Torrance SB9 Ordinance
- Manhattan Beach SB9 Urgency Ordinance
- Hermosa Beach SB9 Ordinance