



Administrative Report

H.11., File # 22-3570

Meeting Date: 1/18/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

ACCEPT INTO THE RECORD A WRITTEN REPORT REGARDING EXTENDING INTERIM URGENCY ORDINANCE 3326-21 AMENDING THE REDONDO BEACH MUNICIPAL CODE TITLE 10, CHAPTERS 1, 2, AND 5, TO PROVIDE OBJECTIVE STANDARDS FOR SENATE BILL 9 (SB 9) BY PROVIDING REGULATIONS RELATED TO URBAN LOT SPLITS AND TWO-UNIT PROJECTS SUBJECT TO SENATE BILL 9 (SB 9)

EXECUTIVE SUMMARY

California Senate Bill 9 (Atkins) (SB9) was signed into law by Governor Newsom on September 19, 2021 and become 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 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 their December 14, 2021 meeting. During that discussion there were questions posed and 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 that review and research to be conducted. The Urgency Ordinance was adopted by City Council on December 21, 2021 for a 45-day period.

The interim Urgency Ordinance is in effect for 45 days from the date of its adoption, unless the City Council extends 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." To extend the interim Urgency Ordinance before the 45-day period expires, the Ordinance needs to be considered at, or before, the February 1, 2022 City Council meeting. The purpose of this Administrative Report is to provide and issue the written report described above, as required by Government Code Section

65858(d).

A public hearing to consider an extension of the Urgency Ordinance, for an additional 22 months and 15 days, has been scheduled for the February 1, 2022 City Council Meeting.

BACKGROUND

WRITTEN REPORT OF THE CITY COUNCIL PURSUANT TO GOVERNMENT CODE SECTION 65858(d)

California Senate Bill 9 (Atkins) (SB9) was signed into law by Governor Newsom on September 19, 2021 and becomes effective on January 1, 2022. SB9 will require 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 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.
- Specify that lot being split may not be adjacent to parcel that has been split by same owner or person acting in concert with same owner.
- Reiterate protected housing limits of SB9.
- Limit lot size to the 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, limited to the two units plus ADU or 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.
- Lot coverage, 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 Urgency Ordinance was originally considered by City Council at the December 14, 2021 meeting. During that discussion there were questions posed and suggested changes to the Urgency Ordinance that required additional review, specifically regarding an affordability requirement, and City Council requested that the item be considered at the December 21, 2021 meeting in order to provide time for the additional review and research. The City Council adopted Urgency Ordinance 3326-21 related to SB9, on December 21, 2021.

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:

- Acknowledging 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.
- Evaluate affordability requirement.

The Planning Commission is scheduled to hold its first consideration of this review at the February 17, 2022 meeting. This discussion may be continued for additional research, discussion, and evaluation. Once the Planning Commission has completed their review of the adequacy of the standards and any additional standards discussed, the Commission is to make recommendations to the City Council on permanent objective standards related to SB9. Once City Council has evaluated the Planning Commission recommendations, final documents will be prepared for a permanent ordinance to 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.

The City will continue to evaluate the standards adopted in the urgency ordinance and study the complete impact of SB9 to fully understand whether additional objective standards are warranted to address SB9, while simultaneously achieving the legislative goals of providing increased housing, particularly increased affordable housing.

COORDINATION

The Community Development Department prepared this report for City Council consideration, in coordination with the City Attorney's office.

FISCAL IMPACT

Funding for the preparation of this report and ordinance is available in the Departments' annual budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Urgency Ordinance O-3226-21
- Senate Bill 9 as Approved by Governor September 16, 2021
- Redondo Beach City Council Administrative Report and Presentation dated November 16,

2021

- Redondo Beach City Council Presentation dated November 16, 2021
- United Neighbors Draft Resolution Template
- City of Pasadena Planning Commission Staff Report dated November 10, 2021
- City of Hermosa Beach Planning Commission Staff Report dated November 16, 2021
- City of Temple City Staff Report dated November 9, 2021
- Best, Best & Krieger Legal Alert "SB9: It's Not a Duplex Bill, It's a Fourplex Bill!" dated September 9, 2021
- Redondo Beach City Council Presentation dated December 14, 2021