

## PLANNING COMMISSION AGENDA STAFF REPORT



Meeting Date: May 18, 2021

Public Hearing:   
Discussion Item:   
Consent Item:

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May 13, 2021

Agenda Item No.: 6a

TO: CHAIR AND PLANNING COMMISSIONERS  
FROM: JOANN LOMBARDO, COMMUNITY DEVELOPMENT DIRECTOR  
SUBJECT: 6<sup>th</sup> CYCLE HOUSING ELEMENT UPDATE –  
PLANNING COMMISSION PUBLIC WORKSHOP #6

### RECOMMENDATION

That the Planning Commission hold a public workshop to receive public input, discuss, and provide staff direction on the Housing Element Update process.

### BACKGROUND/ANALYSIS

As discussed during the five (5) previous Planning Commission Housing Element Workshops, Chino Hills has the challenging task of identifying suitable sites to accommodate its Regional Housing Needs Assessment (RHNA) allocation of 2,209 “Lower Income” High Density housing units. Through the workshops, nine (9) Potential “Lower Income” High Density Housing sites have been identified. In addition, five (5) Potential “Moderate Income” Medium Density sites have been identified. These sites have been preliminarily recommended based on their size, topography, and location within the City.

Given the significance of placing the many units within the City, staff has scheduled this Planning Commission workshop and will be scheduling a second City Council Housing Element Update Workshop in June, with the Planning Commission to attend and participate, to consider the potential sites and the appropriate number of units per site.

The remaining schedule for the Housing Element Update is:

- City Council and Planning Commission Housing Element Update Workshop: June 2021
- Submittal of Draft Housing Element to HCD: July 1, 2021
- 60-day HCD Review Period: July 1 – September 1, 2021
- Revise Housing Element Update: September 2 - October 12, 2021
- Submittal of Housing Element to state Housing and Community Development Department (HCD): October 15, 2021
- Planning Commission and City Council Public Hearings / Adoption of Housing Element: January - February 2022

## HOUSING ELEMENT UPDATE PUBLIC WORKSHOP #6 DISCUSSION TOPICS

Topics to be discussed at this Workshop include:

- “Lower Income” High Density Housing Development Standards
- Potential “Lower Income” High Density Housing Sites Update
- Potential “Moderate Income” Medium Density Sites Update
- Preliminary Draft - Housing Element Community Profile
- Preliminary Draft - Housing Element Community Goals and Policies

### “LOWER INCOME” HIGH DENSITY HOUSING DEVELOPMENT STANDARDS

Cities have about three years from Housing Element adoption to complete all required rezonings associated for the Housing Element. Pursuant to Government Code section 65583.2 (i), the Housing Element Site Inventory Guidebook, prepared by HCD (Guidebook), states that rezoning of the “Lower Income” sites must allow for the housing to develop by right. “By right” means the jurisdiction shall not require:

- A conditional use permit.
- A planned unit development permit.
- Other discretionary, local-government review or approval that would constitute a “project” as defined in Section 21100 of the Public Resources Code (California Environmental Quality Act “CEQA”).
- \*The City can still require a subdivision map and design review.

This “by right” zoning is required for three types of sites: (1) nonvacant sites that were identified in a prior housing element but were not approved to develop a portion of the city’s housing need, (2) vacant sites that were included in two of more consecutive planning periods but were not approved to develop a portion of the city’s housing need, and (3) on sites for which site capacity has not been specifically identified in the inventory of sites, but which are necessary to meet the city’s housing need (the “shortfall” sites).

Although Chino Hills will have three years to determine the appropriate development standards for its designated housing sites, understanding current City development standards can help determine appropriate densities for the “Lower Income” housing sites to be included in the Housing Element.

### Existing Very High Density Development Standards

The Chino Hills Municipal Code (CHMC) currently has two zoning categories that meet the state default density zoning requirement: permitting a maximum density of no less than 30 units per acre. As summarized below, these zoning categories are CHMC 16.10 Very High Density (RM-3) and CHMC 16.13 Mixed Use (MU). In addition, The Shoppes at Chino Hills Specific Plan (04SP01) Mixed Use district allows for very high density residential.

- RM-3: This zone allows a maximum residential density of 35 units per acre, a maximum height of 42 feet, and a maximum lot coverage of 60%.

- MU: This zone allows for a maximum residential density of 35 units per acre and a maximum height of 80 feet, when associated with a mixed use project featuring a minimum of 100,000 square feet of commercial uses.
- Shoppes/Mixed Use: This Specific Plan district applies to the Shoppes II site and allows for a maximum Floor Area Ratio (FAR) of 2.25; a maximum height of 70 feet to roofline and 80 feet to top of architectural features. The Specific Plan does not specify a maximum residential density for the Shoppes II site. However, based on the existing entitlement for the Shoppes II site which allows for a mix of residential, hotel, and retail, the entitled residential density would be about 47 dwelling units per acre.

### Existing Very High Density Multifamily Developments

In addition to requiring sites to be zoned to no less than 30 units per acre, the state default density requires qualified lower income housing to be built to no less than 20 units per acre. Of Chino Hills approximately twenty-five existing high density housing projects, six have been built to 20 units per acre or more. Table 1 lists the six housing projects. Three of these projects were built under the County and the remaining three were built under the City. The table also includes notes explaining the standards through which the densities were achieved.

<b>Table 1. Existing Chino Hills Housing Developments Built to a Density of 20+ DU/AC</b>							
<b>Zone</b>	<b>Housing Type</b>	<b>Name</b>	<b>Address</b>	<b># of Units</b>	<b>Acres</b>	<b>Density</b>	<b>Notes</b>
PD 37-161	APARTMENTS	Heights I	16011 Butterfield Ranch Road	124	5.950	20.840	Included density bonus (City)
PD 17-127	TOWNHOMES	Le Parc Condos	Beverly Glen / Glen Court	324	9.400	34.468	County PD allowed for modified open space and parking
PD 17-127	APARTMENTS	Rolling Ridge	13439 Peyton	110	4.850	22.680	County PD allowed for modified open space and parking
PD 23-152	APARTMENTS	Village Oaks	15773 High Knoll Drive	280	13.770	20.334	Included density bonus and financial subsidies (County)
RM-3	APARTMENTS	Avalon Bay	5685 Park Drive	331	14.556	22.740	Developed consistent with RM-3 standards (City)
RM-3	APARTMENTS	Crossings of Chino Hills	15101 Fairfield Ranch Road	346	15.070	22.960	Developed consistent with RM-3 standards (City)

The City's existing zoning and Specific Plan districts provide opportunity to meet HCD default density requirements for "Lower Income" High Density housing. Options to allow for deviations in setbacks, building separations, and parking for multifamily housing can be considered through an overlay zone or other mechanism to facilitate these required densities. Staff will be bringing forward zoning options for both the potential high and medium density RHNA housing sites, later this year.

## POTENTIAL “LOWER INCOME” HIGH DENSITY HOUSING SITES

At our last Planning Commission Housing Element Workshop, the number of proposed and requested lower income (or high density) units totaled 2,920; this is 711 more units than the City’s Lower Income RHNA obligation of 2,209.

The Guidebook recommends that in estimating realistic capacity on RHNA sites, jurisdictions may want to consider the No Net Loss Law. This law was amended by Chapter 367, Statutes of 2017 (Senate Bill 166), which requires sufficient adequate sites to be available at all times throughout the RHNA planning period to meet a jurisdiction’s remaining unmet housing needs for each income category. To comply with the No Net Loss Law, as jurisdictions make decisions regarding zoning and land use, or development occurs, jurisdictions must assess their ability to accommodate new housing in each income category on the remaining sites in their housing element site inventories. This means that a jurisdiction must add additional sites to its inventory if land use decisions or development results in a shortfall of sufficient sites to accommodate its remaining housing need for each income category.

To ensure that sufficient capacity exists in the Housing Element to accommodate the RHNA requirements throughout the planning period, the Guidebook recommends the jurisdiction create a buffer in the Housing Element inventory of at least 15 to 30 percent more capacity than required, especially for capacity to accommodate the lower income RHNA. Jurisdictions can also create a buffer by projecting site capacity at less than the maximum density to allow for some reductions in density at a project level.

Although the additional proposed/requested 771 lower income high density units would provide a buffer, as suggested by the Guidebook, staff recommends that the buffer instead be created by: 1) estimating site capacity at less than the maximum density; and 2) using future ADU development to create a buffer for lower and moderate income categories. Staff recommends this two-fold alternative approach because it will provide the City flexibility in considering future land use proposals and is consistent with Measure U. The wording of Measure U states that:

“... the City Council may increase residential density as necessary to meet the City’s minimum mandated Housing Element requirements as set forth in California Government Code §65580, et seq., as amended from time to time, including, without limitation, the City’s share of regional housing needs.”

Creating a buffer in the Housing Element inventory of at least 15 to 30 percent more capacity than required, as recommended by the Guidebook, may not meet the Measure U mandate of “minimum mandated Housing Element requirements.”

To keep the potential “Lower Income” High Density count at the 2,209 RHNA allocation, staff is recommending the following changes, presented in Table 2, below. The notable changes to the inventory are:

- Reduce the number of units allocated to the Shoppes II site. This would allow the City to add units should certain other designated sites develop at lower densities than projected in the Housing Element.

- Remove the Caballero site from the inventory. No preliminary site plan has been submitted for the site, and given the size and topography, it may be a challenge to achieve the required density. The Caballero property will have the opportunity to develop under its current R-S zone, or submit a future General Plan Land Use Map and Zoning Map amendment application.
- Reduce the high density units allocated to The Shoppes commercial center to an amount and density more consistent with the Shoppes Mixed Use zoning. The Shoppes commercial center will have the opportunity to develop under its current R-S zone, or submit a future General Plan Land Use Map and Zoning Map amendment application.

**Table 2. Potential “Lower Income” High Density Housing Sites Inventory – Previous and Recommended**

PREVIOUS PROPOSED AND REQUESTED				RECOMMENDED		
Name	Lot Area (acres)	Unit Count	Density (DU/AC)	Lot Area (acres)	Unit Count	Density (DU/AC)
Shoppes II	8	460	57.50	8.00	376	47.00
Park Overflow	1.8	50	27.80	1.80	50	27.78
Los Serranos Golf Course	21.3	532	25.00	21.30	532	24.98
Western Hills Golf Course	8.3	166	20.00	8.30	166	20.00
Caballero	9	180	20.00	0.00	0	0.00
Wang	5	148	29.60	5.00	148	29.60
Shoppes	7.1	714	100.00	5.70	267	46.84
Commons	9	300	33.30	9.00	300	33.33
Crossroads Marketplace	12.3	370	30.10	12.30	370	30.08
		<b>2,920</b>			<b>2,209</b>	
<b>RHNA</b>		<b>2,209</b>		<b>RHNA</b>	<b>2,209</b>	
<b>DIFFERENCE</b>		<b>711</b>		<b>DIFFERENCE</b>	<b>0</b>	

### POTENTIAL “MODERATE INCOME” MEDIUM DENSITY HOUSING SITES

At our last Planning Commission Housing Element Workshop, the number of proposed and requested moderate income (or medium density) units totaled 960; this is 171 more units than the City Moderate Income RHNA obligation of 789. For the reasons noted above, Table 3, below, contains staff’s recommended changes to the Potential “Moderate Income” Medium Density Housing Sites inventory. The notable changes to the inventory are:

- Remove the requested medium density units from the Los Serranos Golf Course site. The property owner is requesting a total of 776 units on the golf course (124 low density, 120 medium density and 532 high density. If the 120 medium density units are removed, the property owner could modify their proposal to request less or a different mix of units.

- Remove the requested medium density units from the Greening Commercial Recreation property. There are a number of current pending and potential multiple family units in the Los Serranos area. Holding this site for a future medium or low density residential development will help distribute the 6<sup>th</sup> Cycle RHNA units within the City. The property owner has the option to submit a future General Plan Land Use Map and Zoning Map amendment application.
- Add one medium density unit to the Wang property. Wang is proposing 491 units. Development of this site would provide community benefits including realignment of Woodview Road and provision for a public park. To reach the 789 RHNA required moderate income unit requirement, one more unit is added to Wang property.

**Table 3. Potential “Moderate Income” High Density Housing Sites Inventory – Previous and Recommended**

PREVIOUS PROPOSED AND REQUESTED				RECOMMENDED		
Name	Lot Area (acres)	Unit Count	Density (DU/AC)	Lot Area (acres)	Unit Count	Density (DU/AC)
Los Serranos Golf Course	10.0	120	11.95	0	0	0
Greening Commercial Recreation	5.3	52	9.81	0	0	0
Galstian (Soquel)	13.3	160	12.03	13.3	160	12.03
Wang	32.5	274	8.43	32.5	275	8.46
Rancho Cielito	29.5	354	12.00	29.5	354	12.0
<b>TOTAL</b>		<b>960</b>		<b>TOTAL</b>	<b>789</b>	
<b>RHNA</b>		<b>789</b>		<b>RHNA</b>	<b>789</b>	
<b>DIFFERENCE</b>		<b>171</b>		<b>DIFFERENCE</b>	<b>0</b>	

**Next Steps:** The recommended “Lower” and “Moderate” income site inventories, along with comments received during this workshop, will be presented at the second City Council Housing Element Update Workshop in June. The recommended site inventories, along with the Draft Housing Element, will then be provided to HCD for a 60 day review (expected July 1 – September 1). Should HCD request changes to these site inventories, these changes will be shared with both the Planning Commission and City Council for their continued review and concurrence.

### PRELIMINARY DRAFT HOUSING ELEMENT SECTIONS

To assist cities in preparation of the 6<sup>th</sup> Cycle Housing Element, San Bernardino County Transportation Authority (SBCTA) has made two resources available: direct contact with HCD staff responsible for reviewing Housing Elements, and a consultant consortium currently working on 6<sup>th</sup> Cycle Housing Elements. Staff is in the process of preparing the draft Housing Element, and has been checking in with these resources to clarify various Housing Element update requirements. Staff expects to have a complete draft Housing Element available in June prior to the second City Council Housing Element Update Workshop with Planning Commission.

## **Community Profile**

The Community Profile is an important part of the Housing Element. It presents the Population, Economic, Household, Special Needs Groups, and Housing Stock Characteristics of the community. Through the Community Profile, the City assesses its housing needs and builds its housing plan, goals, and policies to meet those needs. A draft of the Community Profile for the City of Chino Hills 6<sup>th</sup> Cycle Housing Element is attached. (Attachment A)

## **GOALS AND POLICIES**

Chino Hills' currently adopted 5<sup>th</sup> Cycle Housing Element for the 2014-2021 planning period contains the following goals (reference Attachment B):

- Provide a broad range of housing types to meet the needs of existing and future residents
- Maintain and preserve the existing housing stock
- Develop housing that is sensitive to environmental issues
- Provide housing-related services for special needs groups, specifically elderly households
- Promote equal housing opportunity

Since adoption of Chino Hills' 5<sup>th</sup> Cycle Housing Element, there have been extensive changes to state housing law that influence housing element goals and policies. Staff has begun drafting Housing Element goals and policies in consideration of current state housing requirements, existing and proposed City of Chino Hills policies and actions, and based on a review of recent housing elements that have been accepted by HCD. A preliminary draft of the 6<sup>th</sup> Cycle Housing Element goals and policies is presented below to keep the Planning Commission and the public informed, and to gain input. These goals and policies will continue to be refined as the 6<sup>th</sup> Cycle Housing Element is drafted.

### **Goal H-1: Provide a range of housing types to meet the needs of existing and future residents.**

Policy H-1.1: Encourage preservation of existing and provision of new housing to accommodate housing opportunities for all income levels.

Action H-1.1.1: Provide opportunities for housing at varied density, tenures, and unit types throughout the community.

Action H-1.1.2: Continue to review the City Land Use Plan and available vacant and underutilized land to achieve a complimentary mix of single-family and multi-family development.

Action H-1.1.3: Maintain objective residential design standards to provide high quality housing that is compatible with existing residential neighborhoods.

Policy H-1.1 Timeframe: Ongoing Responsible Agency: City of Chino Hills Community Development Funding Source: General Fund
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Policy H-1.2: Maintain sufficient land designated and appropriately zoned for housing to accommodate Chino Hills' Regional Housing Needs Assessment (RHNA) needs throughout the planning period.

Action H-1.2.1: Establish the appropriate zoning provisions to facilitate development of the City's designated RHNA sites.

Action H-1.2.2: Provide high density residential development standards that achieve planned densities that are of a height and massing appropriate for the site and compatible with surrounding areas.

Action H-1.2.3: Encourage mixed-use development opportunities on underutilized commercial sites, while ensuring that the addition of housing does not conflict with the function or viability of the other on-site uses.

Action H-1.2.4: Encourage residential development that will increase affordable housing opportunities on institutional sites consistent with state law.

Action H-1.2.5: Consult with developers early in the planning period to ensure that proposed development densities are consistent with the RHNA needs.

Action H-1.2.6: Facilitate the development of affordable housing by offering developers incentives such as density bonuses and flexibility in zoning and development standards, as established by state law.

Policy H-1.2 Timeframe: Ongoing and in compliance with regulatory timeframes established by state law Responsible Agency: City of Chino Hills Community Development Funding Source: General Fund
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Policy H-1.3: Facilitate the development of senior housing.

Action H-1.3.1: Partner with affordable housing developers to promote senior housing development.

Action H-1.3.2: Identify location(s) for senior housing close to supportive services.

Action H-1.3.3: Seek grant funds and other financing mechanisms to promote affordable senior housing development.

Policy H-1.3 Timeframe: Ongoing Responsible Agency: City of Chino Hills Community Development Funding Source: General Fund, City Housing-In-Lieu Fee Fund, grant and other financing mechanisms
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Policy H-1.4: Promote services that support the varied needs of the residential population.

Action H-1.4.1: Designate ample locations within the City's Land Use Plan to accommodate an adequate supply of child care, grocery, recreation, medical, education, and personal services for Chino Hills residents.

Policy H-1.4 Timeframe: Ongoing  
Responsible Agency: City of Chino Hills Community Development  
Funding Source: General Fund

Policy H-1.5: Encourage the production of Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) through incentivizing and streamlining development.

Action H-1.5.1: Develop an ADU page on the City website to provide ADU planning and building information in user-friendly format.

Action H-1.5.2: Designate a staff member to serve as the ADU coordinator, acting as the primary point of contact for ADU inquiries and prioritizing the efficient and timely review of ADU projects.

Action H-1.5.3: Establish methods to incentivize and promote the construction of Accessory Dwelling Units, especially those that may be leased at affordable rates.

Action H-1.5.4: Implement permit-ready standard plans to facilitate new ADU construction to minimize design costs, expedite permit processing, and provide development certainty for property owners.

Action H-1.5.5: Maintain an ADU Monitoring Program to track ADU and JADU creation and affordability levels throughout the planning period.

Action H-1.5.6: Continue to review and update City ADU policies to ensure consistency with state law, as required.

Policy H-1.5 Timeframe: Establish a program for incentivizing ADU production within 12 months of Housing Element adoption. Monitoring is ongoing.  
Responsible Agency: City of Chino Hills Community Development  
Funding Source: General Fund

**Goal H-2: Maintain and Enhance the Quality of Existing Residential Neighborhoods.**

Policy H-2.1: Continue to pursue existing County and State financing programs to augment rehabilitation efforts in the City's target neighborhood of Los Serranos.

Policy H-2.2: Continue to conserve mobile home parks which are economically and physically sound.

Policy H-2.3: Continue to utilize the City's code enforcement program to bring substandard units into compliance with City codes and to improve overall housing conditions in Chino Hills.

Goal H-2 Timeframe: Ongoing  
Responsible Agency: City of Chino Hills Community Development, Community Services Department, City Manager's Office  
Funding Source: General Fund, CDBG and other grant funds available for neighborhood rehabilitation

**Goal H-3: Ensure that New Housing is Sensitive to the Natural Environment.**

Policy H-3.1: Encourage clustering of housing to preserve environmentally sensitive areas and open space corridors.

Policy H-3.2: Evaluate residential proposals within hillside areas in terms of potential impacts to landform and viewsheds.

Policy H-3.3: Promote the use of green building practices in new and existing development to maximize energy efficiency and conservation.

Policy H-3.4: Continue to provide permit fee reductions for installation of energy efficient windows and appliances that increase energy efficiency and reduce housing costs.

Goal H-3 Timeframe: Ongoing  
Responsible Agency: City of Chino Hills Community Development  
Funding Source: General Fund

**Goal H-4: Provide Support Services to Meet the Special Housing Needs of the City's Residents.**

Policy H-4.1: Provide reference and referral services for seniors and disabled persons, such as in-home care and counseling for housing-related issues, to allow seniors and disabled persons to remain independent in the community.

Policy H-4.2: Continue to work with existing area social service providers in addressing the needs of the area homeless population.

Policy H-4.3: Coordinate with County and other regional homeless service providers to support surveys of homeless populations and homeless services.

Policy H-4.4: Address the long and short term needs of identified special housing needs groups through coordination with public and non-profit groups that provide emergency shelter and transitional housing support for City residents.

Policy H-4.5: Continue to allow for supportive, transitional, and emergency housing consistent with state law.

Goal H-4 Timeframe: Ongoing  
Responsible Agency: City of Chino Hills Community Development  
Funding Source: General Fund

**Goal H-5: Promote equal opportunities to access housing for all persons regardless of age, race, religion, sex, marital status, sexual orientation, ancestry, national origin, or disability.**

Policy H-5.1: Remove regulatory constraints that impede equal opportunity to housing in the City.

Action H-5.1.1: Provide reasonable accommodation in the application of the City's rules, policies, practices, and procedures, as necessary, to ensure equal access to housing for individuals with disabilities consistent with Americans with Disabilities Act (ADA) and Fair Housing Act (FHA) requirements.

Action H-5.1.2: Provide a no-fee process for individuals with disabilities to request reasonable accommodations from land use, zoning, or building laws.

Policy H-5.1 Timeframe: Ongoing Responsible Agency: City of Chino Hills Community Development Funding Source: General Fund
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Policy H-5.2: Increase community education and awareness of fair housing requirements and resources.

Action H-5.2.1: Provide fair housing information on the City website and at the public counters of City buildings.

Action H-5.2.2: Provide for citizen participation in the planning, development, implementation, and evaluation of programs funded under the Housing and Community Development Act of 1974, as amended, including the Community Development Grant (CDBG) Program.

Action H-5.2.3: Provide a fair housing education program that reaches members of the public who are most vulnerable to housing discrimination, including racial and ethnic minorities, low-income populations, people with limited English proficiency, and people with disabilities. Wherever feasible, such programs shall be translated into languages native to the effected populations.

Action H-5.2.4: Work with a contracted provider such as the Inland Fair Housing and Mediation Board to provide fair housing education.

Policy H-5.2 Timeframe: Ongoing Responsible Agency: City of Chino Hills Community Development and Community Services Funding Source: General Fund, CDBG and other grant funds available for fair housing activities
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Policy H-5.3: Resolve and reduce housing related complaints based on discrimination.

Action H-5.3.1: Provide fair housing contact information where individuals can seek assistance for housing discrimination complaints on the City website and at the public counters of City buildings.

Policy H-5.3 Timeframe: Ongoing  
Responsible Agency: City of Chino Hills Community Development and Community Services  
Funding Source: General Fund, CDBG

Policy H-5.4: Encourage and support the enforcement of laws and regulations prohibiting discrimination in lending practices and in the sale or rental of housing.

Action H-5.4.1: Facilitate compliance with state and federal laws that affirmatively further fair housing through regular monitoring and reporting as required for CDBG participation. Regular monitoring and reporting are conducted through the City's annual Action Plan, five-year Consolidated Plan, and Analysis of Impediments to Fair Housing Choice.

Policy H-5.2 Timeframe: Ongoing  
Responsible Agency: City of Chino Hills Community Development and Community Services  
Funding Source: General Fund, CDBG

Respectfully submitted,



Joann Lombardo  
Community Development Director

Attachments:

- A. Draft Housing Element Community Profile Section
- B. Existing City of Chino Hills 5<sup>th</sup> Cycle Housing Element Goals, Policies and Actions