

Agenda Item Staff Report

To: Honorable Chair and Members of Planning Commission
For the Meeting of May 15, 2025

From: Luis Torrico, Director of Community Development

Prepared by: Taylor Galindo, Assistant Planner

Subject: **Continued from the April 17, 2025, Meeting**
Municipal Code Text Amendment 25-01, Consideration and discussion of a City-initiated Municipal Code Text Amendment of Title 18, Chapter 18.40 Affordable Housing Overlay Zone, modification of the boundary lines for Affordable Housing Overlay Zone No. 2 (AHO-2).

SUMMARY

Municipal Code Text Amendment 25-01, proposes to amend Chapter 18.40 Affordable Housing Overlay Zone of the San Dimas Municipal Code (SDMC) by modifying the boundary lines for one of the two overlay zones, Affordable Housing Overlay Zone 2 (AHO-2). The purpose of the two Affordable Housing Overlay Zones (AHO No's 1 & 2) is to designate certain areas in the City as suitable for higher-density residential uses alongside existing permitted uses in the underlying zone. These overlays were created as part of the site selection for the 4th & 5th Housing Element Cycles. On September 27, 2022, the current cycle of the Housing Element (6th) was adopted and designated a portion of Affordable Housing Overlay Zone No. 2 as a new Housing Element Site No. 5. In addition, on September 24, 2024, the City adopted the Downtown Specific Plan (DTSP), amending the land use designation of these sites from Creative Growth Area 3A & 3B, Industrial (M-1), and Public/Semi-Public to Downtown Specific Plan-Transit Village. Following the adoption of the 6th Cycle Housing Element and the Downtown Specific Plan, the next step is to adjust the Affordable Housing Overlay Zone No. 2 boundaries. This involves removing sites included in Housing Element Site No. 5 while retaining existing sites within the overlay zone not part of Site No. 5. This amendment will provide clarity and maintain consistency between all three documents.

RECOMMENDATION

Staff recommends that the Planning Commission adopt Resolution PC-1694 recommending approval to the City Council of Municipal Code Text Amendment 25-01.

FISCAL IMPACT

There is no fiscal impact for the recommended action.

BACKGROUND

The 2008 (4th Cycle) Housing Element set objectives to improve affordable housing for lower-income groups by rezoning 7.4 acres to accommodate 223 units at a minimum density of 30 units per acre, aligning with state standards (Government Code Section 65583.2 (c) (3) (B) (iv)). On January 22, 2013, the City Council adopted Ordinance 1215, approving Municipal Code Text Amendment 12-06, which added Chapter 18.44 to the San Dimas Municipal Code. The amendment established the Multi-Family (MF)-30 Zone with the intent of satisfying the aforementioned housing objectives.

On February 12, 2013, Ordinance 1217 was adopted, approving Municipal Code Text Amendment 12-08, which established Chapter 18.40; Affordable Housing Overlay Zone. This chapter was established with the intent to protect existing properties in the newly established MF-30 zones from non-conforming status and accommodate parcels that were not immediately ready to meet housing goals. Chapter 18.40 includes two overlay zones: AHO-1 and AHO-2 (Figures 1-2) that were created through Zone Change 12-01) and Zone Change 12-02 respectively.



Figure 1: AHO-1 is geographically bounded by Monte Vista Avenue, Allen Avenue, San Dimas Avenue, and the 210 Freeway.

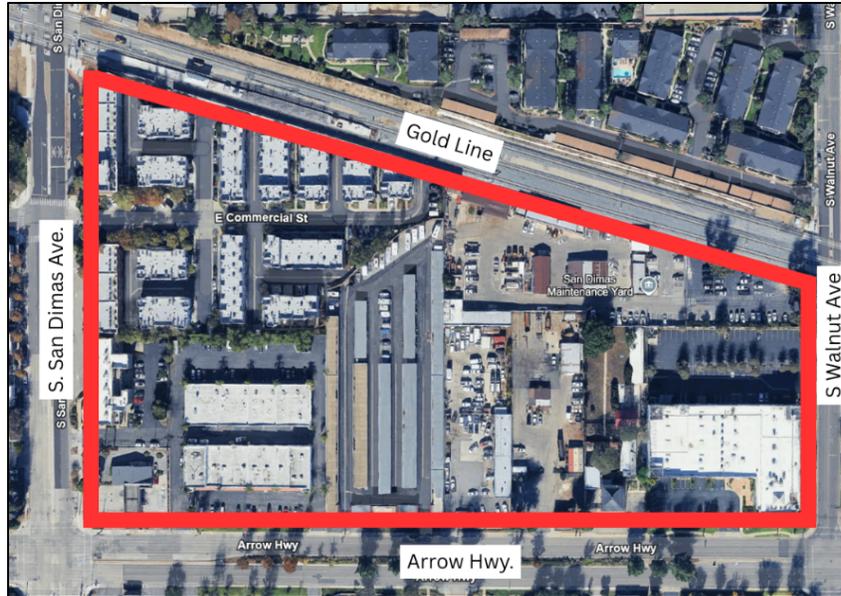


Figure 2: AHO-2 is geographically bounded by San Dimas Avenue, Arrow Highway, Walnut Avenue, and the A Line railroad right-of-way

On September 27, 2022, the City Council adopted Resolution 2022-50, approving General Plan Amendment 22-0001, adopting the 6th Cycle Housing Element for 2021-2029. With this adoption, 11 of the 23 parcels of AHO-2 were designated as Site No. 5 in the Housing Element, raising the proposed density to 35-45 dwelling units per acre (for parcels 8390-018-023, -040, -045, -046, -048, -028, -197, -066, -907, -908, and -909.) The remaining 12 parcels are part of The Grove Station and The Village Walk Homeowner Associations (Figure 3), and were not included in Site No. 5.



Figure 3: Grove Station HOA (in Green) and Village Walk HOA (in pink) - not included in Housing Element Site No. 5 (in orange) but part of the Affordable Housing Overlay (AHO-2).

The current cycle of the Housing Element prescribes a proposed density for Site No. 5 Walnut/Arrow as 35-45 dwelling units/acre (See Attachment 2).

On October 8, 2024, the City Council approved Ordinance 1312, Zone Change 24-02, amending the zoning designation of various parcels as part of the Downtown Specific Plan approval. The subject sites were rezoned from Creative Growth Area 3A & 3B, Industrial (M-1), and Public/Semi-Public to Downtown Specific Plan-Transit Village (DTSP-TV) (Figures 4 & 5).

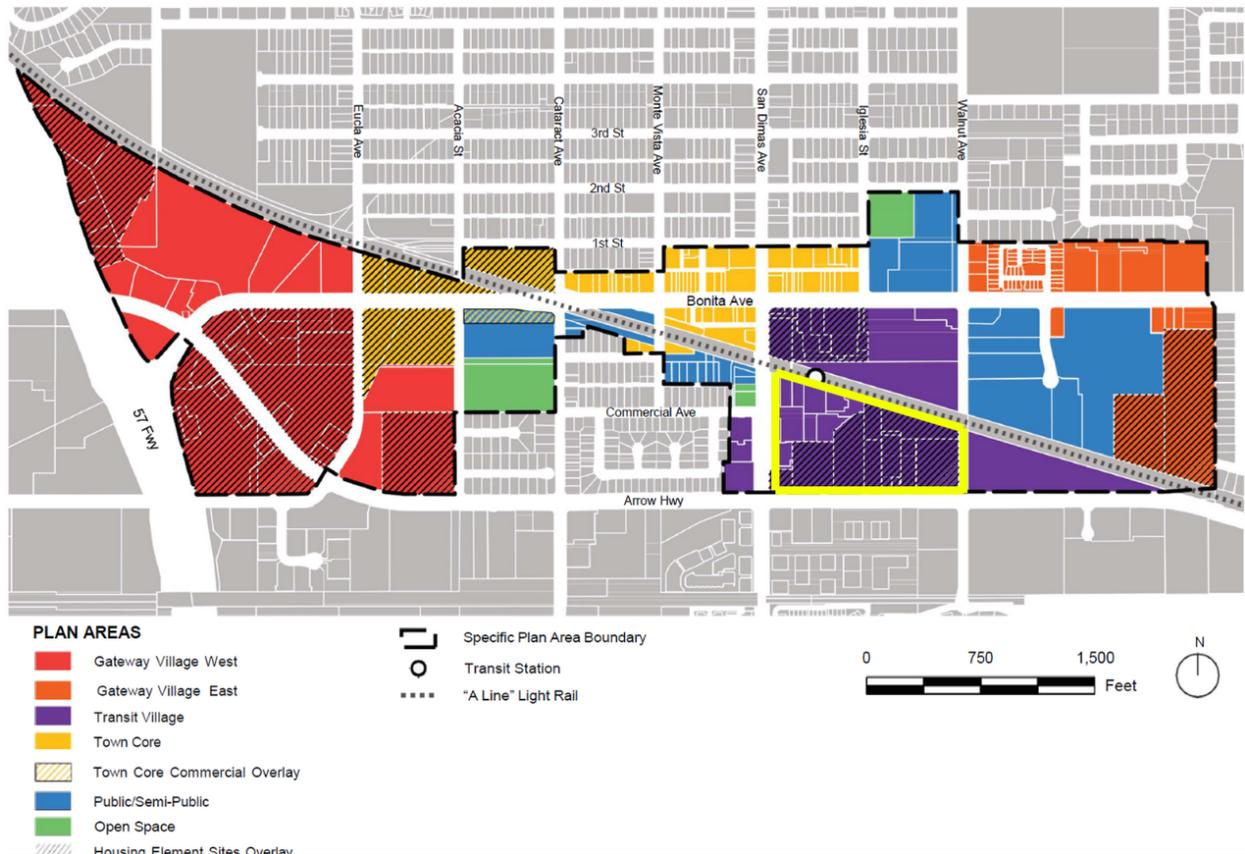


Figure 4: Downtown Specific Plan Zoning Map; AHO-2 is the area outlined in neon yellow.

On April 17, 2025, this item was continued by the Planning Commission at the request of staff to a specific date of May 15, 2025. The proposed amendment for the April Planning Commission meeting included the deletion of AHO-2. However, following further investigation and consultation with the City Attorney, it was determined that AHO-2 could not be deleted in its entirety and that its boundary needed to be modified to prevent downzoning of the portion of the AHO-2 parcels not included as part of Housing Element Site No. 5.

DISCUSSION/ANALYSIS

Staff is requesting to amend Chapter 18.40 of the San Dimas Municipal Code by modifying the boundaries of AHO-2. The 6th Cycle Housing Element indicates that portions of Chapter 18.40 will no longer be necessary after its adoption due to increased density incentives provided by State law and updated density requirements in the Housing Element. The proposed revision aims to ensure clarity and accuracy, as the AHO-2 site has been rezoned under the DTSP and only a

portion of the AHO-2 site has been incorporated into Housing Element Site No. 5. This rezoning reflects a change in allowable density; AHO-2 requires a minimum of 30 dwelling units per acre, while the current 6th Cycle Housing Element stipulates a density range of 35-45 dwelling units per acre only for the parcels that have been included as part of Housing Element Site No. 5. The density numbers outlined in the Housing Element were established with the goal of meeting the planning target of 1,248 units for the 6th housing cycle, as set by the State Department of Housing and Community Development (HCD). The remainder of the site, not included within Housing Element Site No.5, includes the northwestern portion, which has been developed and includes the Grove Station and Village Walk Homeowners Associations. These developments were completed in 2013 and will not be redeveloped in the foreseeable future. The prescribed density for the Transit Village of DTSP is a maximum of 30 dwelling units per acre (Figure 5).

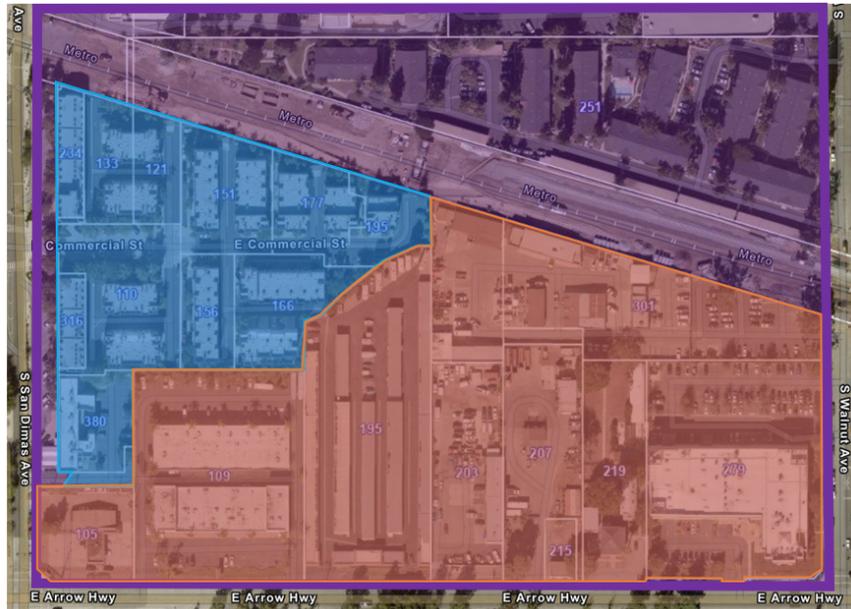
Standard	Gateway Village West	Transit Village	Gateway Village East	Town Core
Scale				
Allowable Density				
Maximum Dwelling Units per Acre	45	30	35	30
Note: With the exception of Sites 7 & 9 in Appendix B-1 of the Housing Element, which have a set density of 35 DUA, minimum and maximum densities for sites within the Housing Element Sites Overlay shall be consistent with the ranges specified in Appendix B-1. Density on these sites may exceed the maximum allowable density of the base underlying zone.				
Allowable Intensity				
Maximum Floor Area Ratio	2.0	1.5	1.75	1.5
Note: FAR includes residential and commercial building floor area but excludes structured parking areas				
Maximum Number of Stories Above Grade				
Mixed Use (Commercial Ground Floor)	4 stories	4 stories	3 stories	3 stories
Multi-Family Residential (Residential Ground Floor)	4 stories	4 stories	3 stories	3 stories
Commercial/Office	3 stories	3 stories	2 stories	2 stories
Hotels	4 stories	4 stories	N/A	N/A

Figure 5: Summary of Development Standards - Downtown Specific Plan

Staff recommends modifying the boundaries of AHO-2 to ensure that parcels not included in Housing Element Site No. 5 remain with the designated overlay. The proposed objective is to maintain the development standards of AHO-2 for parcels outside of Housing Element Site No. 5, as the Downtown Specific Plan (DTSP) sets a maximum density of 30 dwelling units per acre, while the overlay requires a minimum density of 30 dwelling units per acre. Although redevelopment of these parcels is not anticipated in the foreseeable future, it is critical to modify the boundary lines rather than eliminate the overlay entirely to preserve higher potential densities and prevent downzoning.

An amendment will also need to be made to the DTSP to clarify the overlay boundaries for the Affordable Housing Overlay Zone 2. This amendment will include updating the Zoning and Land Use Maps within the document and the Summary of Development Standards table in Chapter 4.

The proposed modified boundary lines of AHO-2 can be seen in Figure 6. The proposed AHO-2 will be exclusively applied to the following assessor parcel numbers: 8390-018-255, -207, -215, -230, -236, -245, -181, -044, -070, -092 and 8390-027-003, -011.



-  AHO-2 Boundary Lines
-  Housing Element Site No. 5
-  DTSP Transit Village

Figure 6: The proposed revised AHO-2 boundary lines. The site completed development in 2013 and is now the Grove Station and Village Walk Homeowner Associations.

ALTERNATIVES

There are no proposed alternatives for this request.

ENVIRONMENTAL REVIEW

Pursuant to CEQA guidelines Section 15061 (b)(3), CEQA does not apply to this item because there is no potential for causing a significant effect on the environment. Therefore, no additional environmental review is needed at this time.

Respectfully submitted,



Taylor Galindo
Assistant Planner

Attachments:

1. Resolution PC 1694
2. Housing Element Sites Inventory List, Site No. 5