

Agenda Item Staff Report

To: Honorable Mayor and Members of City Council
For the Meeting of December 10, 2024

From: Brad McKinney, City Manager

Prepared by: Luis Torrico, Director of Community Development

Subject: Discussion of New Objective Design Standards for Multi-family and Mixed-use Developments for SB 330 and SB 35 Eligible Projects

SUMMARY

State laws require local jurisdictions throughout California to apply streamlined review processes for certain qualifying housing projects and review them against objective design and development standards. The Housing Accountability Act (HAA) established limitations to a local government's ability to deny or reduce the density of or make infeasible housing development projects that are consistent with objective design standards and contribute to meeting housing needs. In response to the HAA, several other housing bills have been passed such as Senate Bill 330/Housing Crisis Act (HCA) and Senate Bill 35. Both of these Bills require streamlining of affordable housing developments and require that eligible projects be reviewed against objective design review or development standards. In order to maintain some local control and to regulate eligible developments, Staff has prepared objective design standards that will be applicable to eligible multi-family and mixed-use developments.

RECOMMENDATION

Staff recommends that the City Council review the proposed objective design standards and provide Staff with any comments or questions they may have.

FISCAL IMPACT

The consultant's costs for preparing the objective design standards is \$95,910. The expense is fully funded by the SB 2 Planning Grant. This expenditure was budgeted within the fiscal year 2024-25 budget in Account No. 001.4308.020.022 along a matching revenue budget in account number 001.356.007.

BACKGROUND

Over the past several years, the California Legislature has passed a number of housing laws with the intent to alleviate the state's limited housing supply and affordability crisis. These laws provided statewide initiative and regulations to streamline the process for housing development. The Housing Accountability Act (HAA) established limitations to a local government's ability to deny or reduce the density of or make infeasible housing development projects that are consistent with objective design standards and contribute to meeting housing needs. In response to the HAA, several other housing bills have been passed such as Senate Bill 330 (SB 330) (**See Attachment 2**) and Senate Bill 35 (SB 35) (**See Attachment 3**).

SB 330 went into effect in 2020 and was passed to increase residential development, protect existing housing inventory and expedite permit processing for eligible residential developments. Since its passing, the law has been amended to provide clarifications and extend the sunset date from 2025 to 2030. SB 35 went into effect in 2017 and requires cities to streamline residential developments that meet affordability and prevailing wage requirements, by providing a ministerial process and provides flexibility from local parking requirements. Similar to SB 330, SB 35 has been amended to provide clarifications and extend the sunset date from 2026 to 2036. Each of these bills have different eligibility criteria, but both require streamlining of affordable housing developments and require that eligible projects be reviewed against objective design review or development standards.

State law defines an "objective standard" as one that involves no personal or subjective judgement and can be uniformly verified by reference to external and uniform benchmark criteria. Therefore, the objective standards must be measurable and have clear criteria that are determined in advance so that Staff and an applicant can communicate about a development's compliance with the standards with specified timelines under the law. In general, the objective design standards will apply to multi-family housing developments, including mixed-use developments. Cities are not required to adopt objective standards; however, without these standards in place, cities will have no control over the appearance and scale of these developments. Projects that are eligible for streamlining and subject to the objective design standards and development standards must meet certain criterion, including:

- SB 330 Projects
 - Multi-family housing projects
 - Mixed-use projects with at least 2/3 residential square footage
 - Comply with objective design standards
 - No significant public health and safety impacts

- SB 35 Projects
 - Multi-family housing projects
 - Mixed-use projects with at least 2/3 residential square footage
 - Comply with objective design standards
 - At least 10% or 50% affordable units
 - Pay prevailing rate wages (10 units or more)
 - No significant public health and safety impacts

In response to the requirements set forth by SB 330 and SB 35, Staff released a Request for Proposals (RFP) in 2020 to select a consultant to assist in creating objective design standards that would be applicable to projects that would be eligible for streamlining. Staff selected Moule & Polyzoides (Consultant) to assist the City with the development of objective design standards. Since 2020, Staff has been working with the Consultant on drafting the standards. However, due to new bills being signed into law and with the progress of the Downtown Specific Plan (DTSP), the scope has changed and thus delayed the completion of the standards.

DISCUSSION/ANALYSIS

The implementation of new objective design standards (**See Attachment 1**) will allow City Staff to regulate development applications that are eligible for streamlined, ministerial processing under the HAA, including SB 35 and SB 330 projects. The proposed standards will be applicable city wide, with the exception of properties located within the DTSP boundaries, which have their own standards for this purpose. The standards are meant to enhance the quality and appearance of development projects. The standards are separated into two (2) categories, i.e. Site Design standards and Building Design standards.

Site design standards are site-specific design criteria that aim to establish consistent guidelines for the look, feel, and functionality of a development site. Elements that are included as part of the site design standards include, but are not limited to parking location and design, circulation, open space, and walls and fences. Similarly, building design standards will regulate the design and appearance of structures in the development related to architectural elements and details, massing and articulation, and colors and materials. Both sets of standards are meant to provide a clear direction for the applicant to ensure well designed and detailed, compatible developments. Existing development standards such as setbacks and height limits found in the San Dimas Municipal Code will still be applicable.

With the passage of several housing laws that are taking away local control, the implementation of these standards is important to ensure developments constructed pursuant to SB 330, SB 35 and any other applicable housing bills result in high-quality multifamily housing and mixed-use projects that the City is accustomed to. While the City may not have control if some of these developments are built, the implementation of these standards will provide some control on the development's appearance and architectural quality. Upon receiving any comments from the Council, the draft standards will be finalized and public hearings will be scheduled before the Planning Commission and City Council for final consideration and approval.

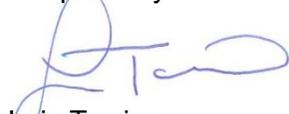
ALTERNATIVES

No alternatives are proposed 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,



Luis Torrico
Director of Community Development

Attachments:

1. Draft Multi-Family Residential & Mixed-Use Objective Design Standards
2. Senate Bill 330
3. Senate Bill 35