



CITY OF MENIFEE

SUBJECT: Development Code Amendment to Implement Housing Element Program Action 5

MEETING DATE: April 5, 2023

TO: Mayor and City Council

PREPARED BY: Doug Darnell, Principal Planner

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Find that Code Amendment No. LR23-0017 is exempt from further environmental review pursuant to Section 15061 (b)(3) "Common Sense Exemption" of the California Environmental Quality Act (CEQA) and 14 CCR 15168 (c)(2) based on the City's previously certified 6th cycle, 2021-2029 Housing Element Project Final Program Environmental Impact Report, and direct staff to file a Notice of Exemption; and
2. Introduce an Ordinance approving Code Amendment No. LR23-0017, to amend Chapter 9.130.030 of the Development Code (Title 9 of the Meniffee Municipal Code) to add provisions to for by-right review of residential projects with a minimum of 20% of the units affordable to lower income households and located on candidate sites identified in the current Housing Element and used in a prior housing element as required to implement Housing Element Program Action 5 and comply with State law.

DISCUSSION

The City Council initially adopted the City's 2021-2029 Housing Element on December 15, 2021; however, after adoption, subsequent review and revisions to the Housing Element were required by the Department of Housing and Community Development (HCD) to comply with State Housing Element law. Once all HCD required revisions were completed to HCD's satisfaction, the City Council re-adopted the Housing Element on November 16, 2022.

On November 22, 2022, the City submitted the re-adopted Housing Element to HCD for their review with the goal of receiving HCD's final approval and certification. On January 19, 2023, the

City received a letter from HCD determining that the City's Housing Element could not be found in full compliance until Housing Element Program 5 is completed.

The proposed Code Amendment supports the State's housing goals to facilitate and remove barriers to housing, particularly affordable housing, and has been prepared in response to HCD's determination letter as necessary to comply with State law. The City must adopt the amendment to obtain a determination by HCD that the City's Housing Element complies with State Housing Element law (i.e., a "full compliance" determination letter). HCD staff has reviewed the City's draft amendment and has indicated that, when adopted, the amendment will satisfy completion of Program Action 5.

Planning Commission Hearing – March 8, 2023

At the March 8, 2023, Planning Commission meeting, the Planning Commission voted 5-0 to adopt a resolution recommending that the City Council find Development Code Amendment No. LR23-0017 exempt from further environmental review and approve the proposed Development Code Amendment LR23-0017.

Project Description

This proposed City initiated Development Code amendment adds provisions to the Development Code to implement Program Action 5 of the City's 2021-2029 Housing Element as required to comply with State law and achieve full compliance for the Housing Element. Specifically, language is added to Chapter 9.130.030 for residential projects with a minimum of 20% of the units affordable to lower income households. This applies to non-vacant sites identified in the Housing Element to accommodate the City's lower income portion of the City's Regional Housing Needs Allocation (RHNA), and which were also used in the City's prior 5th cycle Housing Element. The proposed amendment references Figure B-1 and Table B-12 in Appendix B of the Housing Element for a list of these sites, which are generally located in the northeasterly portion of the City, north of Watson Road between Sherman and Antelope Roads, east side of Antelope Road, south of Watson Road, and one site located on the west side of Menifee Road and northerly of Rouse Road. All these sites/parcels are zoned as High Density Residential (HDR) allowing for a density deemed sufficient to accommodate the lower income portion of the RHNA (i.e., units required to be accommodated by the City). Per State law, a 20% affordable housing project on these non-vacant sites shall be by-right and shall not require discretionary review that would constitute a "project" under CEQA. However, the law allows the City to require such project to be subject to objective design/development standards (i.e., the City's Multifamily Objective Design Standards) and such project would need to comply with all applicable City requirements, development standards and codes, provided they are objective and do not involve discretionary review.

In addition to the above-described provisions for non-vacant sites, provisions are added for 20% lower income projects on vacant sites that may be identified as part of a future housing element to accommodate the lower income portion of the RHNA and which were used in two prior housing elements.

Environmental Determination

Staff has reviewed the proposed Code Amendment in accordance with the CEQA Guidelines and has determined that the Code Amendment is exempt pursuant to Section 15061 (b)(3) “Common Sense Exemption” of the CEQA Guidelines, as the proposed Code Amendment is required to implement Program Action 5 of the City’s adopted 6th cycle, 2021-2029 Housing Element and to comply with state law. The Code Amendment involves provisions that only affect the review process (i.e., by-right review), for 20% lower income residential projects on certain candidate sites identified in the Housing Element and used in a prior housing element, and as required by Government Code section 65583.2(j), such use shall be by-right and shall not require discretionary review that would constitute a “project” as defined in Section 21000 of the Public Resources Code (CEQA). Therefore, it can be seen with certainty that there is no possibility that the proposed amendments will have a significant impact on the environment.

Additionally, the proposed Code Amendment implements Program Action 5 of the City’s adopted 6th cycle, 2021-2029 Housing Element of the General Plan. On December 15, 2021, the City Council adopted Resolution No. 21-1110 adopting the Final Programmatic Environmental Impact Report (FPEIR) for the Housing Element Update Project (State Clearinghouse No. 2022010031) (Project). Pursuant to California Code of Regulations section 15168 (c)(2), when an agency adopts a program EIR, it does not need to prepare an additional environmental document for subsequent activities if the activity is within the scope of the program EIR. Based on data and analysis and findings of the FPEIR, the Project would not directly result in significant adverse environmental impacts and was already contemplated by the FPEIR. All potential impacts were determined to be less than significant without mitigation or can be reduced to a less than significant level with implementation of the mitigation measures identified in the FPEIR. Additionally, no cumulative significant impacts were identified in the FPEIR based on findings that the Project’s contributions to such impacts are considered not to be cumulatively considerable. Therefore, the adoption of the proposed Code Amendment would also be exempt pursuant to California Code of Regulations section 15168 (c)(2).

Findings

Findings for approval of the Code Amendment are included in the attached proposed Ordinance.

Public Notice

The proposed Project was noticed on March 26, 2023, for the April 5, 2023, City Council hearing. The public notices were published within *The Press Enterprise (adjudicated newspaper)*, *SB Sun and Daily Bulletin*. Notices were also mailed to anyone requesting a notice.

STRATEGIC PLAN OBJECTIVE

Livable and Economically Prosperous Community

FISCAL IMPACT

There is no additional fiscal impact resulting from the adoption of the proposed Ordinance.

ATTACHMENTS

1. Ordinance
2. Exhibit A – Proposed Amendments