



STAFF REPORT

CITY of YORBA LINDA

COMMUNITY DEVELOPMENT DEPARTMENT

DATE: JUNE 18, 2024

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: NATE FARNSWORTH, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: REVISED 2021-2029 HOUSING ELEMENT AND VARIOUS GENERAL PLAN AND ZONING CODE AMENDMENTS RELATED TO THE HOUSING ELEMENT IMPLEMENTATION PROGRAMS

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 2024-5898 approving the General Plan Amendment 2023-01 to revise the 2021-2029 Housing Element as approved by the State Department of Housing and Community Development.

It is also recommended that the City Council conduct the first reading and introduce the following Ordinances related to the Housing Element Implementation Programs:

- 1) Ordinance No. 1108 amending the text of the Land Use Element of the General Plan (GPA 2024-01) and finding that GPA 2024-01 is not subject to a vote of the electorate of the City of Yorba Linda under the Yorba Linda Right-to-Vote Initiative; and
- 2) Ordinance No. 1109 amending the text of the Land Use Element and amending the Land Use Diagram of the General Plan (GPA 2024-02) and finding that GPA 2024-02 is subject to a vote of the electorate of the City of Yorba Linda under the Yorba Linda Right-to-Vote Initiative; and
- 3) Ordinance No. 1110 amending the Zoning Code (ZCA 2024-01) and finding that ZCA 2024-01 is not subject to a vote of the electorate of the City of Yorba Linda under the Yorba Linda Right-to-Vote Initiative; and
- 4) Ordinance No. 1111 amending the Zoning Code (ZCA 2024-02) and finding that ZCA 2024-02 is subject to a vote of the electorate of the City of Yorba Linda under the Yorba Linda Right-to-Vote Initiative.

BACKGROUND/DISCUSSION

A Housing Element is a State-mandated policy document within a City's General Plan that identifies existing and future housing needs determined by the State and establishes clear goals and zoning changes needed to meet those goals. The State Department of Housing and Community Development (HCD) is tasked with reviewing Housing Elements for compliance with State housing laws.

Regional Housing Needs Allocation, or "RHNA", is a State-mandated process quantifying the

REVISED 2021-2029 HOUSING ELEMENT AND VARIOUS GENERAL PLAN AND ZONING CODE AMENDMENTS RELATED TO THE HOUSING ELEMENT IMPLEMENTATION PROGRAMS

Page | 2

need for housing in each city and county throughout the State. The RHNA process assigns a total number of housing units that each local government must plan for with its land use policies and outlines the general price points that the housing should seek to target. The RHNA Housing Allocation for Yorba Linda is 2,415 units for the 6th Cycle (2021-2029), meaning the City must devise a plan and related zoning to allow for the potential development of 2,415 housing units in the City to be built by 2029.

Importantly, the City does not build housing. The market and market influences, such as certain subsidies, the macroeconomy, interest rates and more determine what housing gets built. The City's role is to create zoning that would theoretically allow that number of housing units to be built over the RHNA period, in this case, 2021 to 2029.

California state housing policy and RHNA allocation are all subjects of discussion and policy debate for their merits and actual impact on the housing market. However, the City must develop a compliant Housing Element and related zoning or it will face the loss of local control for land use, risk substantial fines, lose access to State grant funds, become vulnerable to lawsuits from developers and affordable housing advocates and open the gates to 'Builder's Remedy' applications that completely bypass many local land use rules. Builder's Remedy promises the loss of City authority to review and limit developments.

Measure B, or the Right-To-Vote Amendment (RTVA), enacted in 2006, is a citizen-sponsored, voter-approved initiative, incorporated within the City's Municipal Code. It requires citywide elections for the approval of certain "Major Amendments" to the City's Planning Policy Documents, including the Housing Element. Although this measure highlights the value of community participation, it creates an additional important step for the community to navigate to adopt a compliant Housing Element.

Between October 2020 and August 2022, City staff conducted numerous study sessions and community workshops with stakeholders, consultants, and members of the public to comment and provide direction on the content of the City's draft housing element, and conducted numerous public hearings related to the adoption of several General Plan Amendments and Zoning Code Amendments to implement the 2021-2029 Housing Element that was conditionally certified by HCD on April 8, 2022. The Zoning Code Amendments and General Plan Amendments included in the Housing Element were presented to the voters in November 2022; however, the voters did not support the proposal.

In order to retain its conditional certification of its Housing Element from HCD, the City is required to present a rezoning plan to the general electorate of the City by the General Election in November 2024. In an effort to evaluate next steps and to expand overall resident engagement on this important and complex policy issue, the City determined that a robust and extended dive into housing policy with a broad swath of residents would be helpful. The idea was to talk directly with residents about the background, policy choices and tradeoffs of land use policy, and to listen deeply to their ideas and suggestions for how to best address land use in the future of Yorba Linda. Additionally, the hope was to start with a group of these residents (referred to as the Working Group) who were willing to dedicate several

REVISED 2021-2029 HOUSING ELEMENT AND VARIOUS GENERAL PLAN AND ZONING CODE AMENDMENTS RELATED TO THE HOUSING ELEMENT IMPLEMENTATION PROGRAMS

Page | 3

hours to the discussion and learning in order to gather effective feedback that recognized the policy challenges in addition to general resident sentiment.

The City Council gave no mandate for the outcome of the Working Group. The only direction was that City Staff and City consultants would facilitate meetings of this group, bring the group information, answer their questions and offer suggestions on possible approaches, tradeoffs and direction for the Working Group to consider. The Working Group came to a conclusion about key observations and suggestions and presented these recommendations to the City Council for their consideration. The City Council was supportive of the recommended changes to the Housing Element and directed staff to engage in public outreach to the general public. More information about the Working Group can be found on the City's website: <https://yllocalcontrol.com/>.

The City of Yorba Linda hosted a series of virtual and in-person workshops in 2023 to engage residents about proposed changes to the City's 2021-2029 Housing Element in order to comply with State law and retain local land use control. Each workshop covered the same material and offered residents an opportunity to ask questions and learn more about the Housing Element Process and nearly 400 residents from a diversity of backgrounds, ethnicities, age groups, political affiliations, geography within the city, housing tenure, and varying perspectives on housing, participated in these discussions.

After all of the recommendations from the Working Group and the public input from the community workshops, staff recommended that the City Council make the following changes to the previously-approved Housing Element:

- Add a new 8-acre parcel in Savi Ranch and increase the density permitted on Savi Ranch sites from 35 units per acre to 60 units per acre (an increase from 200 units to 790 units)
- Remove the Bryant Ranch Center from the City's Housing Element (per the property owner's request)
- Remove the following sites:
 - Two sites at the southern terminus of South Ohio
 - Site at Kellogg/Grandview
 - Chabad Center
 - CRK Stables and residential properties to the south
 - Islamic Center and 2-acre residential parcel to the northwest (Site S3-034)
 - Yorba Linda Preschool
 - Residential parcel between Highland and Eureka, south of Yorba Linda Blvd (Site S5-205A)
- Reduce the number of units on the Fairmont site (Site S5-008) from 230 units to 30 units
- Reduce the density for the Christmas Tree Farm from 35 units per acre to 10 units per acre

REVISED 2021-2029 HOUSING ELEMENT AND VARIOUS GENERAL PLAN AND ZONING CODE AMENDMENTS RELATED TO THE HOUSING ELEMENT IMPLEMENTATION PROGRAMS

Page | 4

- Remove the former CRK Stables property and the residential property to the south from Site S3-203 and reduce the density of Site S3-203 to no more than 5 units per acre

In December 2023, the City Council directed staff to resubmit the resident-driven revised Housing Element to HCD for consideration. On February 23, 2024, HCD sent a letter stating that the City's draft revised Housing Element was found to be in substantial conformance with State housing laws. At this time, the City is now bringing the draft revised Housing Element along with its accompanying implementation programs through the public hearing process for approval. The City has also been hosting a number of in-person community meetings to learn more about the revised Housing Element and to participate in the future of Yorba Linda's housing landscape. Several of these meetings were recorded and are available on the City's website at <https://yllocalcontrol.com/workshops/>.

CEQA

The City's CEQA consultant, T&B Planning, has prepared an Addendum to the previously certified PEIR for the 2021-2029 Housing Element and its implementation programs. The Addendum demonstrates that the revised Housing Element does not create any additional impacts beyond those previously analyzed and addressed in the certified PEIR.

One key component of the Addendum was the preparation of an updated Traffic Analysis and Vehicle Miles Traveled (VMT) Analysis. The Traffic Analysis analyzed 21 intersections to evaluate traffic-related deficiencies based on the proposed rezoning. The analysis took 2024 existing conditions and projected conditions in 2045 based on conditions both without and with the proposed rezoning.

There are currently two intersections operating at less than acceptable levels of service in both the AM and PM peak hours per the City's Circulation Element (Lakeview Ave/Buena Vista Ave and Kellogg Dr/Southbound Imperial Highway). If no improvements are made to these intersections, they will continue to operate at less than acceptable levels of service with or without the proposed rezoning. Furthermore, the intersection of Yorba Linda Blvd/La Palma Ave is projected to operate at a less than acceptable level of service in the PM peak hour by 2045 with or without the proposed rezoning unless improvements are made to the intersection. All other intersections are anticipated to operate at acceptable levels of service with or without the proposed rezoning.

The Traffic Analysis also includes the planned and recommended improvements at various intersections in order to ensure that various intersections will operate at acceptable levels of service through 2045. Improvements are already planned for Imperial Highway/Yorba Linda Blvd and Yorba Linda Blvd/Savi Ranch Pwky. The recommended improvements at Kellogg Dr/Southbound Imperial Highway will require coordination with the City of Anaheim and CalTrans, and the recommended improvements at Yorba Linda Blvd/La Palma Ave will require coordination with the City of Anaheim.

REVISED 2021-2029 HOUSING ELEMENT AND VARIOUS GENERAL PLAN AND ZONING CODE AMENDMENTS RELATED TO THE HOUSING ELEMENT IMPLEMENTATION PROGRAMS

Page | 5

On April 25, 2024, the updated Traffic Analysis and Vehicle Miles Traveled (VMT) Analysis was presented to the Traffic Commission for consideration and comment. The Traffic Commission took public comment, which mostly focused on traffic concerns at Yorba Linda Blvd/La Palma Ave, traffic conditions headed eastbound down La Palma to Gypsum Canyon Rd, and traffic concerns at Lakeview Ave/Buena Vista Ave. The Traffic Commission requested that the City further analyze the traffic impacts of these locations and update the Traffic Analysis, if necessary. The City's traffic consultant with Urban Crossroads has confirmed that the traffic analysis was conducted properly per the City's guidelines. The consultant also advised that there are significant improvements underway on the 91 freeway which Caltrans has stated will significantly improve the traffic conditions along the freeway and should reduce the amount of cut through down La Palma Ave in the future.

The City's CEQA consultant also updated the Noise and Vibration Impact Analysis, which shows that no additional noise and vibration impacts are anticipated from the revised Housing Element beyond the noise and vibration impacts previously analyzed under the certified PEIR. Finally, an updated Mitigation Monitoring and Reporting Program has been prepared to address the impacts of the revised Housing Element.

PLANNING COMMISSION REVIEW

On May 15, 2024, the City's Planning Commission conducted a public hearing related to this effort. The minutes from the Planning Commission meeting are included as an attachment to this report. After taking into consideration all the public comments, the Planning Commission unanimously recommended that the City Council adopt the revised Housing Element and its accompanying General Plan Amendments and Zoning Code Amendments contingent upon approval by the general electorate in the November 2024 General Election.

FISCAL IMPACT

If the City Council decides to move forward with a Measure B ballot measure for this November's election, upon adoption of the Housing Element ordinances for the proposed General Plan Amendments and Zoning Code Amendments at the second reading of such ordinances, the City Council will need to direct staff to schedule the applicable Measure B ballot measure for a future election. As noted above, the certification letter issued by State HCD in February 2024 states that the rezoning ballot measures will be taken to a vote by November 2024. The City is responsible for all costs associated with the ballot measure. These costs have been estimated to range from \$125,000-\$150,000 and have been included in the City Clerk's budget for FY 24/25. In addition to direct election costs, additional City costs have been earmarked for a Measure B education program. The City received a total of \$610,000 in grants from HCD to cover the cost of the preparation of the Housing Element and its implementation programs (including CEQA). While these costs have been exceeded, this funding has helped to significantly offset the cost of the preparation of the Housing Element.

REVISED 2021-2029 HOUSING ELEMENT AND VARIOUS GENERAL PLAN AND ZONING CODE AMENDMENTS RELATED TO THE HOUSING ELEMENT IMPLEMENTATION PROGRAMS

Page | 6

ALTERNATIVES

In order to retain a certified Housing Element, the City Council would need to approve these recommendations and allow the voters the opportunity to decide whether to support the City's proposed Housing Element.

If the City Council decides to not support the revised Housing Element, the City would be in conflict with its conditional certification of its Housing Element from the State, and the State has a number of different penalties it can impose upon cities without a certified Housing Element ranging from loss of funding and fines to the State restricting local land use decisions through restrictions like the "builder's remedy."

ATTACHMENTS

1. Minutes from the May 15, 2024 Planning Commission meeting
 2. Addendum to the Previously Certified Program Environmental Impact Report including Mitigation Monitoring and Reporting Program, Noise and Vibration Impact Analysis, Traffic Analysis and Vehicle Miles Traveled Analysis
 3. Revised 2021-2029 Housing Element (Redlined Version)
 4. Resolution No. 2024-5898 Approving General Plan Amendment 2023-01
 5. Ordinance No. 1108 Approving General Plan Amendment 2024-01
 6. Ordinance No. 1109 Approving General Plan Amendment 2024-02
 7. Ordinance No. 1110 Approving Zoning Code Amendment 2024-01
 8. Ordinance No. 1111 Approving Zoning Code Amendment 2024-02
-