



Planning Commission Agenda
ADDENDUM
COUNCIL CHAMBERS and/or
TELECONFERENCE
TUESDAY, MAY 3, 2022 AT 7:00 P.M.

DIAL-IN-NUMBER: 1(669) 900-6833
897 5414 6656
<https://us02web.zoom.us/j/89754146656>

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

CITY OFFICIALS:

CHAIRPERSON

Fabiola Inzunza

COMMISSIONERS

Jose Delgado
Diego Sepulveda

VICE CHAIRPERSON

Jose De La Paz

REPORT ON POSTING

I, Jose Montano, Acting Administrative Service Coordinator, certify that a true and correct copy of the foregoing meeting agenda was properly posted on April 29, 2022, 72 hours prior to the scheduled meeting, as required by law.

MEETING COMPENSATION DISCLOSURE

Pursuant to Government Code Section 54952.3: Disclosure of compensation for meeting attendance by the Planning Commission is \$125.00 per meeting.

Item No. 1

The Planning Commission will consider approving the minutes for the Planning Commission meeting of April 5, 2022.

Item No. 2

The Planning Commission will conduct a public hearing to consider approving the Zoning Ordinance regarding Inclusionary Housing and In Lieu Fees

Item No. 3

The Planning Commission will conduct a public hearing to consider a recommendation to the City Council to approve the 2021-2029 Housing Element.

Item No. 4

The Planning Commission will consider a request to paint an outdoor mural at 3480 Firestone Boulevard.

Comments

At this time, members of the public and staff may address the City Planning Commission regarding any items within the subject matter jurisdiction of the Planning Commission. No action may be taken on items not listed on the agenda unless authorized by law.

AUDIENCE COMMENTS

CITY STAFF COMMENTS

PLANNING COMMISSION COMMENTS

ADJOURNMENT

In compliance with the American with Disabilities Act, if you need special assistance to participate in the Planning Commission Meetings, please contact Community Development Department.

Notification 48 hours prior to the City Council Meeting will enable the City to make reasonable arrangements to assure accessibility. Any final action of the Planning Commission, on this agenda, is appealable to the City Council upon filling the request with the City Clerk prior to 5:00pm on Monday, May 2, 2022.

Materials related to an item on this Agenda submitted to the Planning Commission after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 8650 California Avenue, South Gate, California 90280 (323) 563-9510 * fax (323) 563-5411 * www.cityofsouthgate.org

**MINUTES OF THE REGULAR MEETING
OF THE SOUTH GATE CITY PLANNING COMMISSION
TUESDAY, APRIL 5, 2022**

1. CALL TO ORDER

The Planning Commission of the City of South Gate met via teleconference on the above date at 7:00 PM
Chairperson Fabiola Inzunza presiding.

2. PLEDGE OF ALLEGIANCE – Vice Chairperson Jose De La Paz**3. ROLL CALL**

Commissioners Present: Chairperson Fabiola Inzunza, Vice-Chairperson Jose De La Paz, and
Sepulveda

Commissioners Absent: Delgado

Staff Present: Meredith T. Elguira, Community Development Director
Yalini Siva, Senior Planner
Jose Montano, Recording Secretary
Craig Hardwick, City Attorney

4. REPORT ON POSTING AND MEETING COMPENSATION DISCLOSURE**5. MINUTES**

MOTION: Vice Chairperson De La Paz moved to approve the minutes and Commissioner Sepulveda seconded the motion. Motion carried unanimously, with the following roll call vote:

AYES: Inzunza, De La Paz, and Sepulveda
NOES: None
ABSTAIN: None

6. PUBLIC HEARING ZONING ORDINANCE REGARDING INCLUSIONARY HOUSING AND IN LIEU FEES.

MOTION: Chairperson Inzunza moved to grant the request of staff to move item No. 2 to the Planning Commission Meeting of April 19, 2022, and Commissioner Sepulveda seconded the motion. Motion carried unanimously, with the following vote:

AYES: Inzunza, De La Paz, and Sepulveda
NOES: None
ABSTAIN: None

7. PUBLIC HEARING TO CONSIDER A RECOMMENDATION TO THE CITY COUNCIL OF AN ORDINANCE REMOVING FROM THE SOUTH GATE MUNICIPAL CODE CHAPTER 13.200 (AND ITS RELATED TITLE DIVISION AND SECTIONS), WHICH HAVE BEEN MADE REDUNDANT BY THE ADOPTION OF NEW CHAPTER 14.04.

Craig Hardwick, City Attorney presented the staff report to the Planning Commission.

MOTION: Vice Chairperson De La Paz moved to approve Item 3. and Chairperson Inzunza seconded the motion. Motion carried unanimously, with the following roll call vote:

AYES: Inzunza, De La Paz, and Sepulveda
NOES: None
ABSTAIN: None

8. AUDIENCE COMMENTS

None

10. CITY STAFF COMMENTS

Meredith Elguira informed the Commission of the upcoming items that will be brought before the Commission May 5, 2022, which include Housing Element, Zoning Code Update, and the list of CUPs that need to be brought back to the Commission for review.

11. PLANNING COMMISSION COMMENTS

Chairperson Inzunza would like to have hybrid Planning Commission Meetings to provide accessibility to all who wish to participate in the Planning Commission Meetings.

12. ADJOURNMENT

The meeting was adjourned at 7:12 PM. The next regular meeting of the Planning Commission is scheduled to be held on Tuesday, April 19, 2022, beginning at 7:00 PM.

Respectfully,

Meredith T. Elguira, Community Development Director

APPROVED:

Fabiola Inzunza, Chairperson

City of South Gate

PLANNING COMMISSION

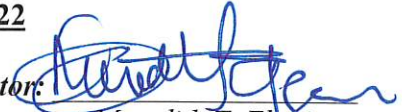
AGENDA BILL

For the Regular Meeting of: May 3, 2022

Senior Planner:


Yalini Siva

Community Development Director:


Meredith T. Elguira

SUBJECT: ZONING ORDINANCE REGARDING INCLUSIONARY HOUSING AND IN LIEU FEES

PURPOSE: A public hearing to consider a recommendation to the City Council of an ordinance adopting and implementing Section 11.29 Inclusionary Housing; and amending Title 11, Division II in the South Gate Municipal Code.

RECOMMENDED ACTIONS:

- a. **CONDUCT** a public hearing;
- b. **APPROVE** the determination that this project is exempt from the California Environmental Quality Act;
- c. **ADOPT** the findings as outlined in Resolution No. 2022-06 (Attachment A); and
- d. **RECOMMEND** that the City Council adopt the draft Ordinance (Attachment B) approving Zone Text Amendment No. 174, implementing Title 11, Division II in its entirety.

PUBLIC NOTIFICATION: Advertising and notification of the public hearing for this item was conducted in compliance with Chapter 11.50, Title 11, of the South Gate Municipal Code. Notice of the hearing was originally posted and published in the “*South Gate Press*” on April 21, 2022.

ENVIRONMENTAL EVALUATION: The foregoing amendment to the South Gate Zoning Code is exempt from the California Environmental Quality Act (“CEQA”) under Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where, as here, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; the activity is not subject to CEQA.

FISCAL IMPACT: None associated with this action. If adopted by the City Council, the proposed Ordinance would permit the City to require and enforce the inclusion of affordable housing on future developments within the City limits. As an alternative to the production of such required housing on-site, applicants would be permitted various alternatives including the donation of land to the South Gate Housing Authority or payment of a proposed housing in-lieu fee to the City to be deposited into an affordable housing trust fund of the City. Both dedicated land and the affordable housing trust fund would provide the Housing Authority and City additional assets to further the production of affordable housing needed in South Gate.

Additionally, the proposed Ordinance could permit the Community Development Department to charge administrative fees for purposes of carrying out the Ordinance, including the review and preparation of inclusionary housing plans and affordable housing agreements for eligible projects.

ANALYSIS:

Elements of the Proposed Ordinance

The proposed inclusionary housing ordinance sets forth inclusionary requirement standards and offers alternatives to fulfillment on-site.

- On-Site Inclusionary Requirements: The proposed Ordinance requires production of inclusionary housing for rental and ownership housing, which would generally apply to all market rate residential and mixed-use projects in the City over 10 units. Initially, these requirements would be lower and phased in over a three-year period subject to the approval at each anniversary of the Ordinance.

The phasing in process is similar to how some jurisdictions have implemented inclusionary housing (including Long Beach which adopted an inclusionary housing ordinance in the Downtown/Midtown area of the city in 2020). Phasing in an ordinance allows the real estate market to adjust to the impacts of these new requirements. For example, transactions on real estate in South Gate today are based on the requirements that exist – so developers and sellers of property have presumed no inclusionary housing requirements. Inclusionary housing does increase the cost of development and by extension affects the value of land, so phasing allows time for the market to adjust to these new requirements. It also provides the City Council the ability to consider the appropriateness of the new requirements. The Ordinance includes an annual review and as part of this the City Council may elect to trigger or defer the additional requirements should market conditions require this.

The table below summarizes the inclusionary requirements as proposed:

Table 1: Proposed Inclusionary Housing Requirements in May 2022 Draft Ordinance

	Rental Projects	Ownership Projects
For the 12-month period commencing on the effective date of this chapter, Projects with more than 10 Units:	8% affordable to Low-Income or 6% affordable to Very Low-Income Households	10% affordable to Moderate-Income Households
Subject to the approval of the City Council, for the 12-month period commencing on the first anniversary of the effective date of this chapter, Projects with more than 10 Units:	10% affordable to Low-Income or 8% affordable to Very Low-Income Households	12% affordable to Moderate-Income Households
Subject to the approval of the City Council, from and after the second anniversary of the effective date of	12% affordable to Low-Income or 10% affordable to Very Low-Income Households	14% affordable to Moderate-Income Households

this chapter, Projects with more than 10 Units		
Projects with 10 Units or less	Fee Only	Fee Only

- Alternatives to On-Site Production: The Government Code requires that cities must provide at least one alternative to on-site production to comply with an inclusionary ordinance.

Recognizing that on-site production in a dense city may be challenging, the proposed inclusionary housing ordinance allows applicants to produce the units off-site (elsewhere in the City), donate land, pay in-lieu fees, convert market rate units to affordable housing, and extend covenants of at-risk affordable housing in the City. In all of these alternatives, the Community Development Director could have the discretion to review the applicant's affordable housing plan to ensure not only that the alternative provides an acceptable amount of affordable housing but do so in such a way so as to not concentrate this in any single part of the City.

Also, as noted in the table above, projects 10 units or less would not be required to produce inclusionary housing on-site and instead would be charged the in-lieu fee that would be collected by the Community Development Department and deposited into an affordable housing trust fund.

- Exemptions: The Inclusionary Housing Ordinance provides three types of applications that would not be subject to the inclusionary housing requirement. These include most projects where an existing single unit is being replaced due to demolition or destruction, many types of 100 percent affordable housing projects, and accessory dwelling units.
- Standards: Inclusionary units should be constructed to the same standard as a project's market rate (non-income restricted) units and spread throughout a project. Units should remain affordable for a period of 55 years for both rental and ownership projects. This affordability requirement should be secured by a recorded affordable housing agreement that is recorded on the property and would be binding on successive owners of the property.
- Procedures: Applicants should be required to prepare and submit an inclusionary housing plan that details how the Ordinance requirements will be implemented into the proposed project. No discretionary approvals or building permits would be issued until the applicant has submitted an inclusionary housing plan. The form and content of the inclusionary housing plan would be established if the Ordinance is approved and becomes effective.

An affordable housing agreement would be prepared and recorded against the property where the allocated units would be constructed prior of the issuance of building permits or a certificate of occupancy.

- Annual Review: At least once each calendar year, the Community Development Department shall prepare a report on the effectiveness of the inclusionary housing ordinance and provide recommendations with regard to changes or revisions to the adopted program to improve its effectiveness and/or administration.

Implementation of the Ordinance

Implementation of the Ordinance would be contingent upon its approval by the Planning Commission and City Council, and would entail subsequent actions by the Community Development Department, including:

1. Preparation of a resolution setting Housing In-Lieu Fees: As mentioned earlier, it is recommended that an in-lieu fee option for conformance be included within the inclusionary housing ordinance. As proposed, the housing in-lieu fee would be charged to applicants of projects 10 units or less, as well as to applicants of larger projects that seek this alternative to on-site construction. The fee schedule would be established by resolution of the City Council, similar to other fees charged by the City. An in-lieu fee schedule would be presented to the City Council after the Ordinance is effective.
2. Preparation of implementing policies and standard agreements: In order to make processing applications for inclusionary housing as straightforward as possible, staff would prepare an inclusionary housing plan and agreement for applicants to use in submittal of their projects to the City.

BACKGROUND:

On February 2, 2022, the Planning Commission conducted a noticed public hearing on the proposed Inclusionary Housing Ordinance that would institute a requirement to construct affordable (income-restricted) housing as part of most market rate (non-income restricted) housing projects in the City. At the public hearing, the Planning Commission received a presentation regarding the purpose of the Ordinance, the policy goals sought, and the status of other ordinances in Los Angeles County.

After some discussion of the proposed Ordinance, the Planning Commission opted not to make a recommendation on the proposed requirements and instead directed staff to consider additional (higher) requirements for inclusionary housing, particularly in context of the recently adopted inclusionary housing ordinance by the County of Los Angeles, which has some of the highest inclusionary housing requirements in the County.

At the request of the Planning Commission, staff, legal counsel, and the City's consultant (RSG) conducted additional research on recently adopted inclusionary housing ordinances in Los Angeles County and the City of Long Beach.

Staff found that while Los Angeles County does generally have a higher inclusionary requirement, developers are given flexibility to choose the inclusionary requirement based on the affordability levels included in the project, ranging from 20 percent to 10 percent inclusionary, allowing projects with deeper affordability to have a lower inclusionary requirement. Additionally, projects with less than 15 units have lower requirements. However, one distinct difference in LA County's approach is that they relied heavily on the use of density bonuses to make projects feasible. This, plus the fact their ordinance covers a vast geographic area that allows applicants many more options for finding sites for fulfilling production onsite or offsite; while South Gate is generally more built out. Los Angeles County also has generally lower density housing make the use of density bonuses that produce more housing units onsite possible. In South Gate, the City's Zoning Code presently has relatively high densities and most applications today come in far below permitted maximum densities and do not use of density bonuses.

Though they originally considered instituting inclusionary housing Citywide, Long Beach only implemented their inclusionary housing ordinance in Downtown and Midtown and has taken a phased

approach in these areas, increasing the inclusionary requirement each year over 3 years in order to allow the market to adjust. For rental projects, the requirement is 5% very low production of very low-income units in 2021 (below the proposed South Gate ordinance), which increases over 2 years to 11% in 2023 (also below the proposed South Gate ordinance), despite that this is a stronger real estate market than South Gate.

Finally, RSG evaluated the implications on potential in-lieu fees as South Gate pursues inclusionary housing. In-lieu fees are an option in the Ordinance to on-site fulfillment of inclusionary housing. Generally, the amount of the fee should be comparable to the requirement for inclusionary housing, meaning that the higher the inclusionary requirement, the more the in-lieu fee should be. If the in-lieu fee is not comparable to the cost of producing units on-site, applicants would have an incentive to not produce affordable housing onsite and a city may not be receiving adequate compensation for the lack of production.

As shown in the table below, the proposed initial fees in South Gate are above the average fees of what other cities in Los Angeles County are charging for comparable project. In this illustration, RSG calculated the fees for three typical housing project types that may be developed in South Gate.

Table 2: Comparison of In-Lieu Fees for Inclusionary Housing

	Single Family Detached (For Sale)		Townhome (For Sale)		Multifamily Rental	
	12 units @ 1,700 sf/unit		35 units @ 1,346 sf/unit		200 units @ 839 sf/unit	
	Per Unit	Total	Per Unit	Total	Per Unit	Total
Agoura Hills	\$ 72,289	\$ 867,463	\$ 37,414	\$ 1,309,493	\$ 35,900	\$ 7,179,910
Alhambra	25,500	306,000		N/A		N/A
Burbank	27,982	335,784	27,008	945,297	8,618	1,723,511
Calabasas	67,963	815,566	48,875	1,710,625	19,262	3,852,400
Claremont	23,500	282,000	23,500	822,500	23,500	4,700,000
Glendale	74,800	897,600	74,014	2,590,500	46,151	9,230,100
Long Beach (2021)	6,770	81,240	6,770	236,950	8,463	1,692,500
Long Beach (2022)	8,463	101,550	8,463	296,188	10,155	2,031,000
Long Beach (2023 on)	16,925	203,100	16,925	592,375	18,618	3,723,500
LA County		N/A		N/A		N/A
Pasadena	72,165	865,980	57,126	1,999,395	50,296	10,059,131
Ranchos Palos Verdes	21,320	255,840	21,320	746,200	21,320	4,264,000
Santa Monica		N/A		N/A		N/A
West Hollywood		N/A		N/A		N/A
High	\$ 74,800		\$ 74,014		\$ 50,296	
Low	6,770		6,770		8,463	
Median	25,500		25,254		20,291	
South Gate (as Proposed)	\$ 38,000	\$ 456,000	\$ 24,000	\$ 840,000	\$ 25,170	\$ 5,034,000

While the City Council will set the in-lieu fee schedule if the Ordinance is adopted, the analysis here demonstrates that the proposed Ordinance would place South Gate above the Los Angeles County average

in terms of cost for production of housing. Higher requirements, when the proposed Ordinance is phased in, will require higher fees in the future as well.

Based on these findings, staff has modified the proposed Inclusionary Housing Ordinance to include higher requirements for affordable housing production that will be phased in over time so not to impair development of both market rate and inclusionary housing. For rental projects, the proposed Ordinance now requires 8 percent production of units affordable to low-income households in the first year, 10 percent in the second year, and 12 percent beginning in the third year. For ownership projects, these requirements are now 10 percent of the units affordable to moderate income households in the first year, 12 percent in the second year, and 14 percent beginning in the third year.

Staff is recommending that the Ordinance be phased in over time, with higher levels of affordable housing triggered on the anniversary date of the Ordinance subject to the approval by the City Council. This allows the City Council to consider the market conditions at the time in the event that the higher requirements cause an impediment as discussed later.

The Ordinance allows developers of rental housing subject to the Ordinance to construct either low-income units or very low-income units to meet the onsite production requirements. Because very low-income units are more expensive to produce due to the lower amount of income they generate to developers, the original proposed Inclusionary Housing Ordinance included a 4 percent production requirement for very low-income units as an alternative to producing 8 percent of the units at low income. After further review by staff and consultants, the revisions to the proposed Inclusionary Housing Ordinance increase the percentage of very low-income units required from 4 percent (initially) to 6 percent in the first year. This requirement would increase as the Ordinance is phased in to 8 percent in the second year, and 10 percent by the third year.

Finally, other changes were made to clarify the Ordinance as requested by the Planning Commission at their February 2022 public hearing, including:

1. Section 11.29.050 Inclusionary Requirements

- a. Added a table that summarizes the requirements for easier understanding.
- b. Clarified that units with 10 units or less only are required to pay the in-lieu fee prescribed by the Ordinance
- c. Clarified that the density bonus provisions of the municipal code are available as incentives to achieving inclusionary housing requirements

2. Section 11.29.090 Takings Determination

- a. Changed the appeal process to be consistent with City practices. In this case, appeals may be made to the Planning Commission within ten working days

3. Section 11.29.130 Inclusionary Housing Plan and Housing Agreement

- a. Changed the appeal process to be consistent with City practices. In this case, appeals may be made to the Planning Commission within ten working days

In summary, the revisions to the proposed Inclusionary Housing Ordinance differ from the version presented to the Planning Commission in February 2022 by requiring additional levels of affordability for all income levels that are phased in, a higher percentage of units affordable to very low-income households, and other clarifications to the Ordinance as discussed at the February public hearing. The table below summarizes these technical changes:

Table 3: Comparison of Major Changes to Proposed Inclusionary Housing Ordinance Since Feb 2022 Public Hearing Draft

	February 2022 Draft IHO	May 2022 Proposed IHO
Rental Housing	8% Low Income or 4% Very Low Income	<u>First Year:</u> 8% Low Income or 6% Very Low Income <u>Second Year:</u> 10% Low Income or 8% Very Low Income <u>Third Year/Thereafter:</u> 12% Low Income or 10% Very Low Income
Ownership Housing	10% Moderate Income	<u>First Year:</u> 10% Moderate Income <u>Second Year:</u> 12% Moderate Income <u>Third Year/Thereafter:</u> 14% Moderate Income

Next Steps

Adoption of the Inclusionary Housing Ordinance requires actions by both the Planning Commission and City Council. The tentative dates for these activities are noted in the schedule below.

Table 4: Inclusionary Housing Ordinance Schedule

Task	Action
February 1, 2022	Planning Commission Reviews Ordinance (Noticed Public Hearing)
May 3, 2022	Planning Commission Concludes Public Hearing on Ordinance and makes recommendation to City Council
June 14, 2022	City Council Reviews Ordinance- Introduction (Noticed Public Hearing)

June 28, 2022	City Council Adopts Ordinance
July 29, 2022	Ordinance Effective
August 9, 2022	City Council Adopts In-Lieu Fee Schedule by Resolution

Once the Ordinance is adopted, staff will work on the necessary implementation policies to enact the Ordinance, including preparation of a resolution setting the initial housing in-lieu fee and the creation of templates for the inclusionary housing plan and inclusionary housing agreements to assist applicants evaluate and process inclusionary housing applications in the Community Development Department.

ATTACHMENTS: A. Resolution No. 2022-06 with Draft Inclusionary Housing Ordinance (Revised May 3, 2022)

RESOLUTION NO. 2022-06

**A RESOLUTION OF PLANNING COMMISSION
RECOMMENDING THAT THE SOUTH GATE CITY
COUNCIL ADOPT AN ORDINANCE APPROVING ZONE
TEXT AMENDMENT NO. 174 PERTAINING
INCLUSIONARY HOUSING AND IMPLEMENTING TITLE
11, DIVISION II OF THE SOUTH GATE MUNICIPAL CODE
IN ITS ENTIRETY**

WHEREAS, the City of South Gate continues to experience increases in the cost of housing and significant shortages in affordable housing; and,

WHEREAS, California Government Code Section 65580(d) states that all cities have a responsibility to use the powers vested in them to facilitate the improvement and development of housing and to make adequate provision for the housing needs of all economic segments of the community; and,

WHEREAS, inclusionary housing ordinances generally require developers of market rate, non-income restricted housing to restrict a percentage of new units for affordable households; and,

WHEREAS, in 2017 AB 1505 amended California Government Code Section 65850 and added Section 65850.01, to “reaffirm the authority of local jurisdictions to include within these inclusionary housing ordinances requirements related to the provision of rental units” and “does not modify or in any way change or affect the authority of local jurisdictions to require, as a condition of the development of residential units, that the development include a certain percentage of residential for-sale units affordable to, and occupied by, households with incomes that do not exceed the limits for moderate-income, lower income, very low income, or extremely low income households;” and,

WHEREAS, state law supports the City’s ability to require a portion of rental residential development be made available for extremely low, very low, low, median and moderate income households; and,

WHEREAS, the Planning Commission received a presentation on local housing policy and inclusionary housing on February 4, 2020; and,

WHEREAS, the City Council received a report on this inclusionary housing on August 11, 2020; and,

WHEREAS, the Planning Commission and City Council conducted a joint workshop to receive updates on the Housing Element and Gateway Specific Plan and obtain public input on the scope of the recommended inclusionary housing ordinance on July 28, 2021; and,

WHEREAS, on February 2, 2022, the Planning Commission conducted a duly noticed public hearing and opted not to make a recommendation on the proposed requirements and instead directed staff to consider additional (higher) requirements for inclusionary housing for reconsideration; and,

WHEREAS, legal counsel and the City's housing consultant have prepared a proposed ordinance amending the City of South Gate Municipal Code to require inclusionary housing on all residential projects with the exception of projects with 10 or fewer units, 100% affordable residential projects, projects constructing accessory dwelling unit(s), and projects in which the construction of a dwelling unit replaces a previously existing dwelling unit situated on the same lot if the previous dwelling was demolished or destroyed within 5 years of the date the building permit application for the replacement dwelling is submitted to the City ("Proposed Ordinance"), enclosed herewith as Exhibit "A"; and

WHEREAS, pursuant to California Government Code Section 65854, the Planning Commission duly noticed a public hearing and conducted the public hearing on this matter on May 3, 2022 and adopted Planning Commission Resolution 2022-06 recommending that the City Council approve Zoning Text Amendment No. 174 and adopt the amendments to the South Gate Municipal Code as set forth in the Proposed Ordinance.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF SOUTH GATE, CALIFORNIA, HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The Planning Commission finds that all of the facts set forth in the Recitals of this Resolution are true and correct.

SECTION 2. The Planning Commission hereby finds and determines that the adoption of the Proposed Ordinance is exempt from the California Environment Quality Act of 1970 ("CEQA") under Section 15061(b)(3) which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Adoption of the Proposed Ordinance will not have a significant effect on the environment.

SECTION 3. The Proposed Ordinance is consistent with and supports the General Plan.

SECTION 4. The Proposed Ordinance will not adversely affect the public health, safety, or welfare of the City and protects public health, safety, and welfare in the City.

SECTION 5. The Planning Commission recommends that the City Council adopt the Proposed Ordinance in the form attached herewith as Exhibit "A".

SECTION 6. The Secretary of the Planning Commission shall certify to the adoption of this Resolution.

SECTION 7. Based upon the findings and conclusions set forth above, the Planning Commission hereby recommends that the City Council adopt an ordinance to approve Zone Text No. 174 and implement Title 11, Division II of the South Gate Municipal Code in its entirety, as described in the draft Ordinance, attached hereto and made a part of this resolution.

BE IT FURTHER RESOLVED, that the Secretary of this Commission be directed to transmit to the City Council a copy of this resolution as the report of the findings and recommendations of the Planning Commission with reference to this matter.

[continues to next page]

This recommendation was adopted by the following vote at the Planning Commission meeting of May 3, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED and **ADOPTED** this 3rd day of May 2022.

Meredith T. Elguira
Secretary
City Planning Commission

APPROVED:

Fabiola Inzunza
Chairperson
City Planning Commission

EXHIBIT "A"

PROPOSED
INCLUSIONARY HOUSING ORDINANCE

AMENDING TITLE 11, DIVISION II
OF THE
CITY OF SOUTH GATE MUNICIPAL CODE

[follows this page]

ORDINANCE NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA IMPLEMENTING INCLUSIONARY HOUSING**

**THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY
ORDAIN AS FOLLOWS:**

SECTION 1. Amend the City of South Gate Municipal Code by implementing the provision of this Title 11, Division II in its entirety with the following new provisions to read and provide as follows:

"11.29 INCLUSIONARY HOUSING

Section:

- [11.29.010 Determinations.](#)
- [11.29.020 Purpose.](#)
- [11.29.030 Definitions.](#)
- [11.29.040 Applicability.](#)
- [11.29.050 Inclusionary Requirements.](#)
- [11.29.060 Relationship to Density Bonus Provisions.](#)
- [11.29.070 Alternative Compliance.](#)
- [11.29.080 Exemptions.](#)
- [11.29.090 Takings Determination.](#)
- [11.29.100 Establishment, Payment, and Use of the Housing In-Lieu Fees.](#)
- [11.29.110 Inclusionary Unit Development Standards.](#)
- [11.29.120 Affordable Housing Incentives.](#)
- [11.29.130 Inclusionary Housing Plan and Housing Agreement.](#)
- [11.29.140 Administration.](#)
- [11.29.150 Annual Review.](#)
- [11.29.160 Affordable Housing Trust Funds.](#)
- [11.29.170 Administrative Fees.](#)

11.29.010 Determinations.

The City of South Gate declares that the provision of housing in a suitable living environment for all residents is a priority of the highest order and is consistent with State, regional and national policies. The goal of the City is to achieve a balanced community with housing available for persons of all

income levels. There exists within the City a shortage of housing that is affordable to households of lower and moderate incomes. Federal and State housing finance subsidy programs are not sufficient by themselves to satisfy these income housing needs. The City finds that the housing shortage for households of lower and moderate income is detrimental to the public health, safety and welfare and, further, that it is a public purpose of the City to seek assistance and cooperation from the private sector in making available an adequate supply of housing for persons of all economic segments of the community.

11.29.020 Purpose.

The purpose of this chapter is to enhance the public welfare and assure the compatibility between future housing development and the housing element of the City of South Gate general plan through increasing the production of housing units affordable to households of lower and moderate incomes. It is the purpose of this chapter to meet the City's general plan goals to expand the supply of housing available to lower and moderate-income households.

11.29.030 Definitions.

- A. "Affordability agreement," means a legally binding, written agreement between an applicant and the City, in form and substance satisfactory to the city attorney, ensuring compliance with the requirements of this chapter.
- B. "Affordable rent" means the maximum monthly rent an owner may charge for an allocated unit in accordance with subdivision (b) of Section 50053 of the California Health and Safety Code, less the appropriate allowance for utilities.
- C. "Allocated unit" or "inclusionary unit" means a newly constructed "for-rent" or "for-sale" dwelling unit which is: (1) provided (or caused to be provided) by an applicant under the provisions of this chapter; (2) to be made available and occupied by a lower-, low- or moderate-income household, as required under the provisions of this chapter; (3) subject to occupancy and affordable rent or sales price controls for a period of not less than 55 years; (4) compatible with the design of other units in the residential housing development of which it is part in terms of exterior appearance, materials and quality finish; and (5) a similar unit type and bedroom mix to the overall residential development.
- D. "Community care facility" means a facility, place or building which is maintained and operated, subject to licensing by the California Department of Social Services, to provide nonmedical residential care, which may include home finding and other services, for children and/or adults, including: the physically handicapped; mentally impaired, mentally disordered, or incompetent; developmentally disabled; court wards and dependents; neglected or emotionally disturbed children; the addicted; the aged. Community care facility includes a continuing care and retirement community.
- E. "Development standard" means a site or construction condition, including, but not limited to, height limits, required setbacks, maximum floor area ratio, onsite open-space requirement, or

required parking that applies to a residential development pursuant to any ordinance, General Plan, Specific Plan, charter, or other local condition, law, policy, resolution, or regulation. Without limiting the foregoing, the parking requirements as set forth in Table 11.31-4 of Section 11.31.060 shall apply to any residential development subject to this Chapter 11.29.

- F. "Health care facility" means a facility, place or building other than a hospital which is maintained and operated as a residence for patients and to provide long-term medical care. Includes nursing homes, intermediate care facilities, extended care facilities, hospice homes, and similar facilities which are licensed by the California State Department of Health Services, and defined in Health and Safety Code, Section 1200, et seq. May include a lab, radiology, pharmacy, rehabilitation, and other similar services as accessory uses.
- G. "Housing Authority of the City of South Gate" or "Housing Authority" means the not-for-profit public entity, responsible for ensuring adequate, decent, safe and sanitary housing for qualified people with limited income within South Gate consistent with federal, state and local laws and which is involved in administering programs designed to develop affordable housing, provide federal rental subsidy, and various other programs to benefit South Gate residents with limited income.
- H. "Housing in-lieu fee" means a fee paid by an applicant as an alternative to providing an allocated unit or a fraction of an allocated unit.
- I. "Income (household), low" means a household whose gross income does not exceed 80 percent of the area median income for the County of Los Angeles, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Section 50079.5 of the California Health and Safety Code.
- J. "Income (household), very low" means a household whose gross income does not exceed 50 percent of the area median income for the County of Los Angeles, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Section 50105 of the California Health and Safety Code.
- K. "Lower income household" is a general term which refers to households whose gross income falls under the categories of very low or low income as those terms are defined in this Section.
- L. "Moderate income household" means a household whose gross income does not exceed 120 percent of the area median income for the County of Los Angeles, adjusted for family size, as published and periodically updated by the State Department of Housing and Community Development pursuant to Sections 50079.5 and 50052.5 of the California Health and Safety Code.
- M. "Residential development" means a project containing at least one residential unit, including mixed use developments. For the purposes of this chapter, "residential development" also includes projects defined in California Government Code Section 65915(i), including a subdivision or Common Interest Development, as defined in Section 4100 of the California

Civil Code, approved by the City and consists of residential units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling, as defined in subdivision (d) of California Government Code Section 65863.4, where the result of the rehabilitation would be a net increase in available residential units.

- N. "Review authority" means the individual or official City body which has the responsibility and authority to review, and approve or disapprove, applications for land use entitlements.
- O. "Single room occupancy unit" is a residential unit with living space with a minimum floor area of 150 square feet and a maximum of 400 square feet restricted to occupancy by no more than two persons. Kitchen and bathroom facilities may be wholly or partially included in each living space or may be fully shared.

11.29.040 Applicability.

The inclusionary requirements of this chapter apply to all residential developments within the City, including the residential component of mixed-use developments.

11.29.050 Inclusionary Requirements.

Table 1:	Rental Projects	Ownership Projects
For the 12-month period commencing on the effective date of this chapter, Projects with more than 10 Units:	8% affordable to Low-Income or 6% affordable to Very Low-Income Households	10% affordable to Moderate-Income Households
Subject to the approval of the City Council, for the 12-month period commencing on the first anniversary of the effective date of this chapter, Projects with more than 10 Units:	10% affordable to Low-Income or 8% affordable to Very Low-Income Households	12% affordable to Moderate-Income Households
Subject to the approval of the City Council, from and after the second anniversary of the effective date of this chapter, Projects with more than 10 Units	12% affordable to Low-Income or 10% affordable to Very Low-Income Households	14% affordable to Moderate-Income Households
Projects with 10 Units or less	Fee Only	Fee Only

- A. Residential or mixed-use development projects with ten or fewer units shall only be required to pay a housing in-lieu fee as noted in Section 11.29.100.
- B. For projects of more than ten units, except those development projects complying with this chapter in an alternative manner consistent with Section 11.29.100 below, all residential or mixed use development projects shall be subject to the inclusionary requirements set out in **Table 1** above. For such projects of more than ten units for the time periods set out in **Table 1** commencing on the first anniversary of the effective date of this chapter and thereafter, the increases in the inclusionary requirements for Rental Projects and Ownership Projects provided for therein shall be subject, however, to the prior approval of the City Council before taking effect.
- C. Fractional units that may result from the application of these requirements will be addressed as follows:
 - 1. For a fractional unit requirement of less than 0.5, the applicant will pay a fractional housing in-lieu fee.
 - 2. For a fractional unit requirement of 0.5 and above, the fraction will be rounded up to the next larger integer and treated as a whole unit.
- D. If a proposed residential development project would result in the elimination of existing deed restricted affordable housing units, the affordable units must be replaced on a one-for-one basis with equally affordable deed restricted units with a new affordability agreement recorded that results in resetting and making consistent the duration of affordability consistent with the requirements of this Section.
- E. An applicant proposing to provide on-site allocated units consistent with the inclusionary requirements of this section, shall be eligible to receive one or more incentives or concessions, pursuant to Section 11.31.050 of the City's Density Bonus ordinance, or other benefits as negotiated with the City.

11.29.060 Relationship to Density Bonus Provisions.

An applicant proposing allocated units consistent with this Chapter 11.29 which also applies for a density bonus consistent with Chapter 11.31 of this code, may count units affordable to lower or moderate-income households toward both requirements. Additional units allowed by the density bonus shall not be included in the total project units when determining the proportion of required allocated units in a residential development.

11.29.070 Alternative Compliance.

Alternatives to provision of on-site allocated units or payment of the housing in-lieu fee in accordance with Section 11.29.100 include provision of allocated units off-site, directly by applicant or through an agreement with a third party, dedication or conveyance of land, conversion of market rate units to

affordable, preservation of at-risk housing, use of inclusionary credits, or other innovative approaches. All alternative compliance measures must produce at least the same number and affordability of units that would have been provided on-site, and are subject to review and approval by the Director of Community Development.

A. Allocated Units Provided Off-Site. An applicant may provide (or may cause a third party to provide) allocated units off-site ("off-site units").

1. Allocated units provided off-site must be located in the same general area of the City as the unallocated units of the development as determined by the Director of Community Development, unless the Director of Community Development makes a determination that locating the off-site units in a different area of the City would better serve the General Plan housing goals of the City.
2. As part of the application submittal materials, if the applicant itself will provide the allocated units off-site, the applicant shall submit evidence that the applicant owns, leases (pursuant to an executed a ground lease of at least the 55 years from the date offsite units would be produced), or has an irrevocable option to purchase, the site where the off-site allocated units are proposed to be located; alternatively, if applicant enters into an agreement with a third party to provide the allocated units off-site, then the applicant shall cause such third party to submit evidence that the third party owns, or has an irrevocable option to purchase, the site where the off-site allocated units are proposed to be located.

B. Land Dedication or Conveyance Alternative. An applicant may offer to dedicate or convey land to the Housing Authority, situated on-site or off-site.

1. Land offered under this section must be within the City's boundaries and must be designated for a general plan land use which allows multifamily units.
2. The applicant shall provide an analysis which demonstrates that the land offered is suitable for affordable housing development in terms of size; location; general plan land use designation; availability of sewer, water and transit services; absence of toxics; absence of environmental constraints; site characteristics and surroundings. Staff will recommend to the review authority whether the dedication should be accepted.
3. The applicant shall also submit evidence that the applicant owns, or has an irrevocable option to purchase, the site proposed for dedication or conveyance.
4. Land conveyed under this section shall be used for the development of affordable housing for households of lower income.
5. Land shall be identified and offered for dedication or conveyance at the time of development application submittal. If the offer is accepted by the review authority, the land must be donated to the Housing Authority no later than the date of approval of the final subdivision map, parcel map or housing development application, and must have all the

permits and approvals, other than building permits, necessary for development with the required number of affordable units.

- C. **Impactation Determination.** Each site proposed to be dedicated or conveyed to the City for construction of affordable units or proposed for one or more off-site allocated units shall be evaluated as to whether the placement of such units will overly impact an area with lower income units. If the site is within 1,000 feet of one or more existing or approved developments in which more than 50 percent of the units are, or will be, restricted to occupancy by households of lower incomes, impactation shall be found. The review authority may override a determination of impactation by making findings that local schools, services and adjacent uses will not be negatively impacted by the construction of allocated or affordable units at the proposed site.
- D. **Conversion of Market Rate Units to Affordable.** An applicant may propose to convert existing market rate units to affordable units in an amount equal to or greater than the required on-site inclusionary housing requirement, including any needed rehabilitation to ensure compliance with building, health and safety standards.
- E. **Preservation of At-Risk Housing.** An applicant may offer to purchase long term affordability covenants on an existing deed restricted affordable housing project at imminent risk of contract termination and conversion to market rate housing.
- F. **Credit for Additional Affordable Units.** If an applicant completes construction on a site of a greater number of affordable units than required by this chapter, the additional units may be credited towards meeting the requirements of this chapter for a future project. The applicant may use credits in a future project or transfer the credits in writing to another developer. Credits will only be counted toward required affordable units with the same bedroom count, the same tenure (rental or ownership), and required affordability targets. The credits must be used within 10 years of issuance. Projects which have received a density bonus or which receive a government subsidy in any form, financial or other, shall not be eligible for credits.
- G. **Innovation Encouraged.** Innovative alternatives to providing affordable housing not outlined in this chapter shall be evaluated by staff and considered on a case-by-case basis. Substitute programs shall be permitted providing, at the recommendation of staff and determination of the review authority that the objectives of the inclusionary housing ordinance are being met with the alternate proposal.

11.29.080 Exemptions.

The following residential developments are exempt from the inclusionary requirements (Section 11.29.050) of this chapter:

- A. The construction of a dwelling unit to replace a previously existing dwelling unit situated on the same lot if the previous dwelling was demolished or destroyed within five years of the date the building permit application for the replacement unit is submitted to the Community Development Department.

B. The construction of homeless shelters, community care facilities, health care facilities, single room occupancy units and units which, under agreement with the City or a City agency, are only available for occupancy by lower or moderate income households at affordable rents or affordable sales prices for a period of not less than 55 years.

C. The construction of accessory dwelling units.

11.29.090 Takings Determination.

A. Determination of a taking of property without just compensation. In accordance with the procedures provided by this section, an applicant may request a determination as to whether the requirements of this chapter, taken together with density bonuses and any concessions or other incentives available under Chapter 11.31, would constitute a taking of property without just compensation under the California or Federal Constitutions.

1. If an inclusionary housing plan is subject to the approval of the Director of Community Development, the applicant may request the director to make a takings determination within fifteen days of the decision by the director to approve or disapprove the affordability agreement. The developer may appeal the director's takings determination to the Planning Commission within ten working days after the date of the decision in compliance with Chapter 11.50.
2. If an inclusionary housing plan is subject to the approval of the City Council, the developer may request the City Council to make a takings determination at the time it acts to approve or disapprove the affordability agreement.

B. Presumption of Facts. In making the taking recommendation or determination, the director or City Council, as appropriate, shall presume each of the following facts:

1. Application of the inclusionary housing plan to the project; and
2. Application and utilization of all density bonuses and incentives available under state and local law; and
3. Utilization of the most cost-efficient product type for the inclusionary units that would meet the standards of this chapter; and
4. The reasonable availability of external funding.

C. Modifications to Reduce Obligations. If it is determined that the application of the provisions of this chapter would be a taking, the inclusionary housing plan shall be modified to reduce the obligations in the inclusionary housing component to the extent, and only to the extent necessary, to avoid a taking. If it is determined that no taking would occur though application of this chapter to the residential project, the requirements of this chapter shall remain applicable.

11.29.100 Establishment, Payment, and Use of the Housing In-Lieu Fees.

- A. Residential development projects shall be assessed a housing in-lieu fee as an alternative to provision of on-site allocated units in accordance with Section 11.29.050.
- B. The City Council, by resolution, shall establish the amounts and calculation of the housing in-lieu fee. The fee for a for-rent unit shall be paid no later than prior to the final inspection for each unit in a residential project; payment for a for-sale unit shall be no later than the close of escrow or one-year following the final inspection, whichever is sooner. The fee for rental and for-sale units shall be adjusted annually in July based on the annual percentage change in corresponding month in the Bureau of Labor Statistics Long Angeles/Long Beach/Anaheim Consumer Price Index – All Urban Consumers (CPI-U).
- C. Except as otherwise provided in this Chapter 11.29, all housing in-lieu fees paid under this chapter shall be paid to the City and shall be used by the City's Housing Authority only for the development of housing situated within the City limits that is affordable to households of lower and moderate incomes, including, but not limited to, the acquisition of property, costs of construction, including costs associated with planning, administration and design, as well as actual building or installation costs, and program administration. Housing assisted with housing in-lieu fees shall be subject to a minimum 55-year affordability agreement with the Housing Authority encumbering the site where the assisted housing is situated.

11.29.110 Inclusionary Unit Development Standards.

- A. All inclusionary units shall be:
 - 1. Reasonably dispersed throughout the residential project;
 - 2. Proportional, in number of bedrooms, and location, to the market rate units;
 - 3. Comparable to the market rate units included in the residential project in terms of size, design, materials, finished quality, and appearance; and
 - 4. Permitted the same access to project amenities and recreational facilities, as are market rate units.
- B. Timing of Construction. All inclusionary units in a project shall be constructed concurrent with, or before the construction of the market rate units. If the city approves a phased project, a proportional share of the required inclusionary units shall be provided within each phase of the residential project.
- C. Accessory dwelling units shall not be counted towards meeting a project's inclusionary requirements.
- D. Units for Sale.

1. Time Limit for Inclusionary Restrictions. A unit for sale shall be restricted to the target income level group at the applicable affordable housing cost for a minimum of fifty-five (55) years.
2. Certification of Purchasers. The applicant and all subsequent owners of an inclusionary unit offered for sale shall certify, in form and content acceptable to the City, the income of the purchaser.
3. Resale Price Control. In order to maintain the availability of inclusionary units required by this chapter, the resale price of an owner occupied inclusionary unit shall be limited to the lesser of the fair market value of the unit as established by a licensed real estate agent based upon three comparable properties or the restricted resale price. For these purposes, the restricted resale price shall be the greater of either the applicable affordable housing cost or an amount equal to the sum of: a) the purchase price, b) an amount equal to ten percent of any increase in the applicable affordable housing cost since the previous sale of the unit, c) The adjusted amount of any capital improvements for which a building permit has been issued by the City and a certification of occupancy or similar final certification has been filed, or other improvements which adds assessed value to the unit, d) any applicable transaction fee charged by a real estate professional, and e) if the occupant has allowed the unit to deteriorate due to deferred maintenance, the restricted retail price shall be discounted in an amount equal to the costs necessary to bring the unit into conformity with the City Municipal Code.
4. Inheritance of Inclusionary Units. Upon the death of an owner of an owner-occupied inclusionary unit, title in the property may transfer to the surviving joint tenant without respect to the income-eligibility of the household. Upon the death of a sole owner or of all owners of an inclusionary unit and the inheritance of the property by one or more non-income eligible children or stepchildren of the deceased, the property shall be sold to an income eligible household within one year of the time when the deceased's estate is settled. Inheritance of an inclusionary unit by any other non-income eligible person or persons shall require the sale of the property to an income eligible person as soon as is feasible, but not more than one hundred eighty days after the deceased's estate is settled.
5. Forfeiture. If an inclusionary unit for sale is sold for an amount in excess of the resale price controls required by this section, the buyer and the seller shall be jointly and severally liable to the City for the entire purchase price of the unit. Recovered funds shall be deposited into the affordable housing trust funds. Notwithstanding the foregoing, upon written request for time to cure any violation given to the City by the buyer and seller, it shall be within the discretion of the city manager to allow the buyer and seller one hundred eighty days to cure any violation of the resale price controls.

D. Rental Units.

1. Time Limit for Inclusionary Restrictions. A rental unit shall remain restricted to the target income level group at the applicable affordable housing cost for fifty-five years.
2. Certification of Renters. The owner of any rental inclusionary units shall certify to the director, on a form provided by the City, the income of the tenant at the time of the initial rental and annually thereafter.
3. Forfeiture. Any lessor who leases an inclusionary unit in violation of this chapter shall be required to forfeit to the City all money so obtained. Recovered funds shall be deposited into the affordable housing trust fund.
4. The director may require the execution and recording of whatever documents are necessary or helpful to ensure enforcement of this section; including but not limited to: promissory notes, deeds of trust, resale restrictions, rights of first refusal, options to purchase, and/or other documents, which shall be recorded against all inclusionary units.

E. General Prohibitions.

1. No person shall sell or rent an inclusionary unit at a price or rent in excess of the applicable affordable housing cost placed on the unit in accordance with this chapter.
2. No person shall sell or rent an inclusionary unit to a person or persons that do not meet the income restrictions placed on the unit in accordance with this chapter.
3. No person shall provide false or materially incomplete information to the city or to a seller or lessor of an inclusionary unit to obtain occupancy of housing for which that person is not eligible.

F. Principal Residency Requirement.

1. The owner or lessee of an inclusionary unit shall reside in the unit as such person's principal residence for at least ten out of every twelve consecutive months unless actively serving in the United States military. Notwithstanding this requirement, an owner or lessee may live elsewhere for a period up to six months every five years on account of hardships, including, but not limited to, medical reasons, the need to assist family member in crisis or medical need, and relocation for employment purposes, subject to verification by the Director of Community Development.
2. No owner or lessee of an inclusionary unit shall lease or sublease, as applicable, an inclusionary unit without the prior permission of the director.

11.29.120 Affordable Housing Incentives.

An applicant may request the City provide regulatory, procedural or financial incentives, including but not limited to a density bonus or modified development standards, in exchange for providing on-site inclusionary units as required by this chapter. The request for incentives shall be included

as part of the project application materials, and shall be subject to review and approval by the Director of Community Development.

11.29.130 Inclusionary Housing Plan and Housing Agreement.

- A. The applicant shall comply with the following requirements at the times and in compliance with the standards and procedures in the city's regulations for the implementation of this chapter.
1. Inclusionary Housing Plan. An applicant shall submit an inclusionary housing plan, in a form specified by the Director of Community Development, detailing how the provisions of this chapter will be implemented for the proposed project. If the inclusionary housing plan includes alternatives to on-site units, then the inclusionary housing plan shall be subject to the review and approval of the City Council. All other inclusionary housing plans shall be subject to the approval of the Director of Community Development, subject to appeal to the Planning Commission. Any such appeal shall be filed within ten working days of the Director's decision.
 2. Affordability Agreement. An applicant shall execute and cause to be recorded an affordability agreement. The affordability agreement shall be a legally binding agreement between the applicant and the City, in a form and substance satisfactory to the director and the city attorney, and containing those provisions necessary to ensure that the requirements of this chapter are satisfied, whether through the provision of inclusionary units or through an approved alternative method. Once the residential development including allocated units has received its final discretionary approval, the applicant shall file an application, including payment of any processing and monitoring fees, with the Community Development Department for approval and finalization of the affordability agreement.
- B. An applicant for a project providing allocated units consistent with this chapter and affordable units consistent with the provisions of the density bonus and other developer incentives chapter of this code shall enter into a single affordability agreement with the City.
- C. Discretionary Approvals. No discretionary approval shall be issued for a project subject to this chapter until the applicant has submitted an inclusionary housing plan.
- D. Issuance of Building Permit. No building permit shall be issued for a project subject to this chapter unless the Director of Community Development has approved the inclusionary housing plan, and any required affordability agreement has been recorded encumbering the project site.
- E. Issuance of Certificate of Occupancy. A certificate of occupancy shall not be issued for a project subject to this chapter unless the approved inclusionary housing plan has been fully implemented.

11.29.140 Administration.

- A. The City Council, by resolution, may from time to time adopt procedures, policies, rules and requirements, including the adoption of processing and administrative fees, to implement, administer, and/or enforce the provisions of this chapter.
- B. The Director of the Community Development or designee is authorized to determine the number of dwelling units contained within a particular residential development, if a determination is needed to resolve a disagreement. When a question arises regarding the meaning, or requires an interpretation of any provision of this chapter to any specific circumstances or situation, the Director of Community Development is authorized to render a decision thereon in writing.
- C. The Housing Authority shall keep on file and available for public review a copy of the current income schedules and utility allowances.

11.29.150 Annual Review.

At least once each calendar year, the Community Development Department shall prepare a report on the effectiveness of the inclusionary housing ordinance, which shall include the following:

- A. By income category, the total number of on-site inclusionary units issued building permits during the time period covered by the report.
- B. By income category, the total number of off-site inclusionary units issued building permits during the time period covered by the report.
- C. The amount of acreage by land use category dedicated to the Housing Authority as an alternative to fulfill an inclusionary requirement during the time period covered by the report.
- D. By income category, the total number of inclusionary units converted from market rate during the time period covered by the report.
- E. By income category, the total number of affordable units preserved as an alternative to fulfill an inclusionary requirement during the time period covered by the report.
- F. By income category, the total number of additional inclusionary units issued building permits during the time period covered by the report, as well as those issued building permits in the preceding 9 years.
- G. The amount of any housing in-lieu fees collected.
- H. Any recommendations with regard to changes or revisions to the adopted program to improve its effectiveness and/or administration.

11.29.160 Affordable Housing Trust Funds.

Housing in-lieu fees collected by the City pursuant to this ordinance shall be deposited into an affordable housing trust fund maintained by the City for use in the site acquisition, development,

rehabilitation, or preservation of affordable housing, either directly by the City or in partnership with the Housing Authority or third party affordable housing developers.

11.29.170 Administrative Fees.

The council may by resolution establish reasonable fees and deposits for the administration of this chapter.”

SECTION 2. The Council finds that the proposed Inclusionary Housing Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this ordinance may have significant effects on the environment, and that no further environmental review is required.

SECTION 3. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

SECTION 4. This ordinance shall take effect on the 31st day following its adoption.

APPROVED AND ADOPTED this ____ day of _____, 2022.

CITY OF SOUTH GATE:

Al Rios, Mayor

ATTEST:

Chris Jeffers, City Clerk

APPROVED AS TO FORM:

Raul F. Salinas, City Attorney

City of South Gate

PLANNING COMMISSION

ITEM 3

AGENDA BILL

For the Regular Meeting of: May 3, 2022

Senior Planner: Yalini Siva
Yalini Siva

Community Development Director: Meredith Elguira
Meredith Elguira

SUBJECT: DRAFT 2021-2029 HOUSING ELEMENT UPDATE OF SOUTH GATE 2035 GENERAL PLAN

PURPOSE: Public hearing to consider a recommendation to the City Council to approve the 2021-2029 Housing Element.

RECOMMENDED ACTIONS:

- a. **CONDUCT** a public hearing;
- b. **ADOPT** the findings as outlined in Resolution No. 2022-07; and
- c. **RECOMMEND** that the City Council adopt the Draft 2021-2029 General Plan Housing Element Update.

PUBLIC NOTIFICATION: Advertising and notification of the public hearing for this item was conducted in compliance with SGMCA Sections 11.50.020 and 11.50.030. Notice of the hearing was originally posted and published in the "South Gate Press" on April 21, 2022.

ENVIRONMENTAL EVALUATION: An Environmental Impact Report was prepared and adopted for the General Plan 2035 and no further environmental study is required.

BACKGROUND: The Housing Element is one of the seven required elements of a City's General Plan. The General Plan serves as the local government "blueprint" for the development and growth of the City. The State of California requires Housing Elements to be updated and certified every eight years by the State Department of Housing and Community Development (HCD). In many instances, the certification of a local Housing Element is placed as a condition for cities to submit and receive State approval on grant applications and development projects.

The Housing Element is intended to outline goals and policies consistent with the City's General Plan, as well as with State requirements and laws. The Housing Element analyses current and projected housing needs for all economic segments of the community and includes policies and programs for providing adequate housing during the set planning period.

The initial draft Housing Element Update was sent to HCD and received on October 13, 2021. HCD provided the City with comments via a telephone conference call and also with a letter listing their review advisories (Attachment B), etc. Planning staff held a workshop/study session on February 1, 2022, for which a flyer was posted on the City's website and was also mailed to stakeholders who had previously expressed interest in hearing about the Housing Element update and/or housing within the City.

The City's consultant, Veronica Tam & Associates, worked with the City to respond to HCD's advisories and comments and also assisted with ensuring that the 6th cycle Housing Element would be consistent with numerous State housing bills that substantially changed the requirements of the Housing Element for planning period 2021-2029. These changes include the following:

■ Requirements for the Regional Housing Needs Assessment (RHNA) to address not only future growth but also to compensate for the lack of housing construction during the last 20 years, resulting in cost burden and overcrowding.

- Requirements for adequate sites for RHNA have been tightened to:
 - Limit the use of small sites
 - Add new requirements for reusing available sites from the 5th Cycle
 - Add new requirements for sites to be rezoned to accommodate the RHNA
 - Add a replacement housing requirement
 - Add a by-right approval requirement for projects with 20% affordable units
 - Add a no-net-loss monitoring requirement to replenish the sites inventory
- New requirement for affirmatively furthering fair housing that necessitates to:
 - Complete an assessment of fair housing conditions
 - Distribute RHNA sites in a manner that furthers fair housing opportunities
- New program requirements to:
 - Affirmatively further fair housing
 - Incentivize ADUs
 - Establish timelines and specific outcomes

The revised draft Housing Element update for the 6th cycle addresses the requirements above and also provides for further outreach throughout the upcoming planning period.

CONCLUSION: Planning Commission Resolution No. 2022-07 recommends the City Council adopt the draft 2021-2029 General Plan Housing Element Update, prepared in accordance with State law and pursuant to the requirements of the California Environmental Quality Act. If the City Council takes action in accordance with this recommendation, the adopted 2021-2029 General Plan Housing Element Update will be transmitted to HCD for final review and certification.

ATTACHMENTS: A. Letter from the HCD, dated December 10, 2021
B. Resolution No. 2022-07
C. Draft 2021-2029 General Plan Housing Element Update, revised April 2022

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



December 10, 2021

Meredith Elguira, Director
Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280

Dear Meredith Elguira:

RE: City of South Gate's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of South Gate's (City) draft housing element received for review on October 13, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a conversation on December 7, 2021 with you; Yalini Silva, Senior Planner; and your consultant, Veronica Tam.

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical

Meredith Elguira, Director
Page 2

Advisories issued by the Governor's Office of Planning and Research at:
http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and
http://opr.ca.gov/docs/Final_6.26.15.pdf.

HCD appreciates the diligent efforts and cooperation of you and the housing element update team during the review. We are committed to assist the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Shawn Danino, of our staff, at shawn.danino@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF SOUTH GATE

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <http://www.hcd.ca.gov/community-development/building-blocks/index.shtml> and includes the Government Code addressing State Housing Element Law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

Outreach: Outreach specifically related to affirmatively furthering fair housing (AFFH) is foundational to a complete analysis and formulating appropriate goals and actions to overcome patterns of segregation and foster more inclusive communities. The element should summarize outreach efforts and relate this input to all components of the AFFH analysis and modify or add goals and actions as appropriate. Further, the element mentions the analysis of impediments to fair housing choice (AI) which includes a discussion of outreach related to fair housing enforcement but could also utilize as portions of this outreach relative to fair housing issues and formulate appropriate programmatic response.

Enforcement: The element summarizes various laws and court rulings, but it should also discuss the City's compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints.

Identified Sites and AFFH: The element provides information regarding the proportion of sites by income group according to various concentrations of socio-economic characteristics. In addition, the element should address the number of units by income group, magnitude of impact on local patterns, any isolation of the RHNA by income group and address the placement of the sites such as concentrations of sites in key areas and corridors.

Contributing Factors: The element should re-assess and, particularly, prioritize contributing factors upon completion of an analysis and make revisions as appropriate.

Goals, Priorities, Metrics, and Milestones: While the element includes some information on priorities and goals, the element must be revised to include goals and

actions that specifically respond to the analysis and identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have metrics and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

2. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)*

Extremely Low-income (ELI) Households: Given the unique and disproportionate needs of ELI households, the element must include analysis to better formulate policies and programs. For example, the element should analyze tenure, cost burden, overcrowding and other household characteristics then examine the availability of resources to determine gaps in housing needs. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housingneeds/extremely-low-income-housing-needs.shtml>.

3. *Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)*

Rental Prices: The element provides some figures for median rental prices from American Community Survey data from 2014-2018 (p. 28), including a median rent of \$958 per month for a 1-bedroom apartment. However, upon a cursory search of several online rental listing websites, median rents in the City for 1-bedroom apartments were approximately \$1,916 – more than double the figure listed. The element should be updated and use a more current estimate to reflect market conditions.

4. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Parcel Listing: For parcels outside Specific Plan areas (Table C-2), the inventory lists parcels by various factors such as zoning, size and capacity but must also list sites by general plan designation.

For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. This is especially important for determining sites that have been utilized in multiple planning periods and are subject to by-right provisions. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

City-Owned Sites: The element must include additional discussion of the City-Owned sites identified to accommodate the RHNA. Specifically, the analysis should address general plan designations, allowable densities, support for residential capacity assumptions, existing uses and any known conditions that preclude development in the planning period and the potential schedule for development. If zoning does not currently allow residential uses at appropriate densities, then the element must include programs to rezone sites pursuant to Government Code section 65583.2, subdivisions (h) and (i). In addition, the housing element must include a description of whether there are any plans to sell the property during the planning period and how the jurisdiction will comply with the Surplus Land Act Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

Suitability of Nonvacant Sites: The element identifies nonvacant sites based on various factors such as the age of the structure, existing floor area ratio, improvement to land ratio and net increase. However, to demonstrate the extent existing uses impede additional development, the element should support the viability of these factors and discuss past experience with converting existing uses to higher density residential development, the current market demand for the existing use, an analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, development trends, and regulatory or other incentives or standards to encourage additional residential development on these sites

In addition, because the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, it must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Small and Large Sites: Sites smaller than half an acre or greater than ten acres are deemed inadequate to accommodate housing for lower-income households unless it is demonstrated, with sufficient evidence, that sites of equivalent size with affordability were successfully developed during the prior planning period or other evidence that demonstrates the suitability of these sites. The element currently discuss how development might occur on larger sites and identifies smaller sites, but it must still provide analysis of past trends or present other evidence to demonstrate the suitability of these sites. For example, the analysis could describe the City's role or track record in facilitating past lot consolidation, common ownership, policies, or incentives offered or proposed to encourage and facilitate lot consolidation or other conditions rendering parcels suitable and ready-for-lot consolidation.

Motel/Hotel Sites: While the element lists various motel/hotel sites that could be converted to residential use, it must support the assumption of 400 units in the planning period. For example, the City may utilize a methodology similar to accessory dwelling units based on past permitted units, affordability and other relevant factors.

Environmental Constraints: While the element generally describes a few environmental conditions within the City, it must relate those conditions to identified sites and describe any other known environmental or other conditions that could impact housing development on identified sites in the planning period.

Infrastructure: The element includes some discussion on water and sewer providers in the City. However, it must also clarify whether sufficient total water and sewer capacity (existing and planned) can accommodate the regional housing need and include programs if necessary.

In addition, water and sewer service providers must establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) Local governments are required to immediately deliver the housing element to water and sewer service providers. The element should discuss compliance with these requirements and if necessary, add or modify programs to establish a written procedure by a date early in the planning period.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* The element indicates that emergency shelters are permitted in the Light Industrial Overlay zone (p. 61). However, the element should also clarify whether shelters are permitted without discretionary action, discuss typical parcel sizes and acreages, proximity to transportation and services and any conditions inappropriate for human habitability. In addition, the element should list and evaluate any development standards for compliance with statutory requirements and add or modify programs as appropriate.
 - *Single Room Occupancy (SRO) Units:* While the element outlines some of the minimum requirements for permitting SROs, the element should fully describe the minimum development standards and analyze these requirements as a possible constraint, including, but not limited to, leasing requirements, parking requirements and impact fees, and permitted uses. The element must include programs as appropriate based on the outcomes of the analysis.
5. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)*

Land-Use Controls: The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types (e.g., multifamily rental housing, mobilehomes, SROs, transitional housing). While the element does provide some information on residential development standards, (pp. 53 to 57), it does not provide analysis on these factors as a possible constraint. For example, the element should analyze the open space, minimum lot size and parking requirements. The analysis must also evaluate the cumulative impacts of land use controls on the cost and supply of

housing, including the ability to achieve maximum densities. The element should have specific programs for addressing identified constraints.

Local Processing and Permit Procedures: While the element includes information about processing times and procedures, it should evaluate the process for typical multifamily and mixed-use development. For example, the element notes most development is approved by the Planning Commission. Later (p. 70), the element states most development is administratively approved. For typical developments consistent with zoning and the general plan, the element should clearly describe approval body, typical number of hearings and approval findings for impacts on housing supply, cost, timing and approval certainty.

Streamlining Provisions: The element should clarify whether the City has procedures consistent with streamlining procedures pursuant to Government Code section 65913.4 and include programs as appropriate.

On/Off-Site Improvements: The element describes several types of on- and off-site improvements that may be required to approve housing development (p. 65) including pavement, curbs, gutters, sidewalks, drainage facilities. The element should also analyze their impact as potential constraints on housing supply and cost.

Constraints on Housing for Persons with Disabilities: The element identifies approval findings for granting a reasonable accommodation including finding related to impacts on surrounding uses – essentially a conditional use permit finding. However, reasonable accommodation should be a unique exception process from a conditional use permit, especially given its importance in addressing barriers to housing for persons with disabilities. The element should include a program to amend the Reasonable Accommodation Ordinance and remove constraints, namely the “potential impact on surrounding uses” approval finding. In addition, the element indicates residential care facilities for seven or more persons are excluded from several zones that allow residential uses and subjects the use to a conditional use permit (CUP) process. The element should analyze these requirements as potential barriers to housing for persons with disabilities and include programs to address these constraints including amending zoning to permit the use in residential zones and address and remove, replace or mitigate the CUP requirement.

6. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Government Code section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)*

Developed Densities and Permit Times: The element must analyze requests to develop housing at densities below those anticipated and the length of time between receiving approval for a housing development and submittal of an application for building permits. The analysis should address any hinderances on the construction of a locality's share of the regional housing need and include programs if necessary.

B. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact in the planning period and address the goals of the housing element, programs must be revised with discrete timelines (e.g., annually, year). Programs to be revised include Programs 8 (Affordable Housing Development), 13 (Acquisition/Rehabilitation of Rental Housing) and 16 (Hotel/Motel Conversion).

2. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding A4, the element does not include a complete site analysis, therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

In addition, the element should include specific commitment to a schedule of actions to encourage development on City-owned sites. Actions include establishing appropriate zoning and development standards, additional incentives, schedule for development, significant outreach with developers of affordability housing, reducing fees, expediting permit processing and seeking financing or supporting applications for funding.

3. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Findings A5 and A6, the element requires a complete analysis of potential governmental and non-governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

4. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element must include a complete analysis of affirmatively furthering fair housing. Based on the outcomes of that analysis, the element must add or modify programs as appropriate. Actions must have metrics and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

C. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd. (c)(8).)

While the element includes a list of public meetings and stakeholders, it should describe comments from these meetings and how comments were considered and incorporated into the element. Additionally, moving forward, the City should employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts. Please note, the City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including revising the document where appropriate.

RESOLUTION NO. 2022-07

**A RESOLUTION OF THE SOUTH GATE PLANNING
COMMISSION RECOMMENDING THAT THE SOUTH
GATE CITY COUNCIL ADOPT THE DRAFT 2021-2029
GENERAL PLAN HOUSING ELEMENT UPDATE**

WHEREAS, the preparation, adoption, and periodic update of the City of South Gate (“City”) Housing Element is mandated by California State Law (Govt. Code Sections 65580-65589); and

WHEREAS, the City has completed a Draft General Plan Housing Element Update for the 2021-2029 planning period; and

WHEREAS, State law requires that the California Department of Housing and Community Development conduct a review of a local jurisdiction’s Housing Element Update for compliance with State housing law; and

WHEREAS, the Housing Element is a policy document that, among other things, identifies programs intended to facilitate meeting and the housing needs of all of the City’s residents, including those special and very low-income populations most in need, and explains how the City intends to accommodate the City’s share of projected regional housing need, as determined by the Southern California Association of Government’s Regional Housing Needs Assessment (RHNA); and

WHEREAS, the Planning Commission upon giving the required notice did, on the third day of May, 2022, conduct a duly advertised public hearing as required by law to consider as required by law to consider the Housing Element, notice of the hearing was published in the Press on April 21, 2022; and

WHEREAS, the South Gate Municipal Code has adopted General Plan 2035 (excluding the Housing Element) on December 8, 2009; and

WHEREAS, the Housing Element is an integral component of the General Plan and no new environmental document is required pursuant to California Environmental Quality Act; and

WHEREAS, at the time of the adoption of the General Plan the City has submitted the draft Housing Element to the Department of Housing and Community Development(HCD) as required by law; and

WHEREAS, based on current trends of redeveloping existing uses in South Gate and neighboring jurisdictions with similar characteristics, age and existing conditions of structures, city staff field surveys of vacant properties, as well as the likelihood of nonresidential uses on nonvacant sites converting to residential or mixed-use residential developments due to the continued decline of commercial and light industrial uses, the existing uses on the sites identified in the site inventory to accommodate the lower income RHNA are likely to be integrated with new

residential uses or discontinued during the planning period, and therefore are not considered significant impediments to additional residential development during the period covered by the housing element; and

WHEREAS, the Housing Element has been revised to incorporate all comments received from HCD to its satisfaction;

NOW, THEREFORE, THE PLANNING COMMISSION, of the City of South Gate does find, determine and declare:

1. The goals, objectives and policies of the South Gate General Plan will be promoted through the adoption and implementation of the Housing Element.
2. The Housing Element contains all necessary components required by law.
3. An Environmental Impact Report was prepared for General Plan 2035, and no new environmental report is required pursuant to California Environmental Quality Act.

BE IT FURTHER RESOLVED, that the Secretary of this Commission be directed to transmit to the City Council, a copy of this resolution as the report of the findings and recommendations of the Planning Commission with reference to this matter.

This recommendation was adopted by the following vote at the Planning Commission meeting of May 3, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED and ADOPTED this 3rd day of May 2022.

Meredith Elguira
Secretary
City Planning Commission

APPROVED:

Fabiola Inzunza
Chairperson
City Planning Commission

Attachment C can be located at
<https://www.cityofsouthgate.org/Business-Development/Planning>

Housing Element

Revised April 2022

City of South Gate
8650 California Avenue
South Gate, CA 90280

City of South Gate

PLANNING COMMISSION

ITEM NO. 4

AGENDA BILL

For the Regular Meeting of: May 3, 2022

Senior Planner: 
Yalini Siva

Community Development Director: 
Meredith Elguira

SUBJECT: PROPOSED MURAL FOR 3480 FIRESTONE BOULEVARD – TACO BELL

PURPOSE: To consider a request to paint an outdoor mural at 3480 Firestone Boulevard.

RECOMMENDED ACTIONS:

- a. **CONSIDER** the proposed painted mural for 3480 Firestone Boulevard, Taco Bell.

ANALYSIS: The authorized agent, Marks Architects, of the existing Taco Bell at 3480 Firestone Boulevard, submitted a request for the installation of a painted mural on the exterior northern wall of the existing building and drive-through. The property has a lot size of approximately 19,734 square feet and contains a 2,029 square foot building with a drive-through. A Conditional Use Permit was approved and adopted in January of 2015 for the restaurant with a drive-through.

The subject property is located at the southwest corner of two commercial corridors in the City: Firestone Boulevard and California Avenue. An automotive business is located to the west, commercial retail businesses to the north, a restaurant with a drive-through to the east and office uses are located directly to the south.

The applicant would like to install a painted mural on the exterior northern wall of the existing building and drive-through facing Firestone Boulevard. The mural would be visible to pedestrian and vehicular traffic from Firestone Boulevard. The proposed mural will measure approximately 8'-10" feet high by 10'9" feet wide. The mural will be placed to the west of the drive-through window, wherein there are distinguishing wall panels. Because this project will be installed on private property, maintenance of the mural will be the responsibility of the business owner. The proposed art work is an abstract image containing various colors of blue, purple and white (Attachment A).

The Planning Commission is charged with reviewing mural requests including size, height and location.

Conditions of Approval

If the Planning Commission approves the mural, it is recommended that the conditions included as Attachment B be imposed. Significant conditions of approval include:

1. Applicant shall maintain and preserve the mural in good condition to the satisfaction of the City.
2. The design of the mural shall be consistent with professional graphic standards.

ATTACHMENTS: A. Conditions of Approval
B. Proposed Mural – Taco Bell

ATTACHMENT A
CONDITIONS OF APPROVAL

Planning Conditions

1. Except as set forth in conditions, development shall take place substantially as shown on the approved elevation rendering. Any material deviations must be approved by the Community Development Director.
2. Within thirty (30) days of approval of the project, the applicant and property owner shall certify his/her acceptance of the conditions placed on the approval by signing a notarized Affidavit of Acceptance stating that he/she accepts and shall be bound by all of the conditions.
3. Approval shall be valid for twelve (12) months from the date of the final determination. An up to one (1) year time extension may be granted at the discretion of the Community Development Department.
4. The applicant shall defend and hold harmless and indemnify the City and its agents, officers and employees from any claim, action, or proceeding against the City or its agents, officers or employees to attack, set aside, void or annul any approval by the City concerning the project. The City shall promptly notify the applicant of any filed claim, action or proceeding and shall cooperate fully in the defense of the actions.
5. Applicant shall agree to the removal of graffiti incidents within 24 hours.
6. Applicant shall maintain and preserve the mural in good condition to the satisfaction of the City.
7. The design of the mural shall be consistent with professional graphic standards.
8. Applicant shall submit the endorsement of either the owner of the premises or an authorized representative of the owner for proposed mural work.

SIGN REVIEW
TACO BELL
DRIVE THRU RESTAURANT

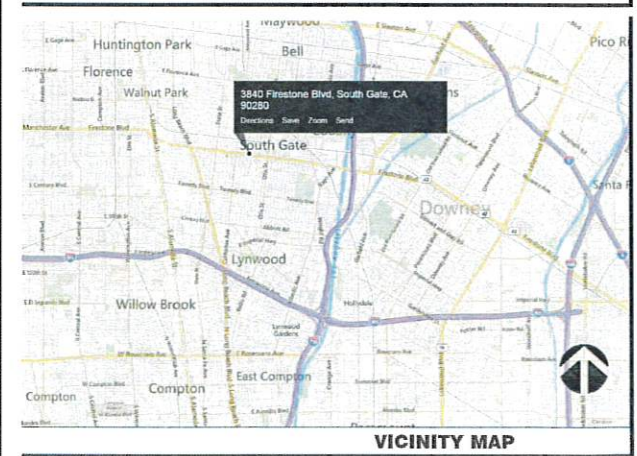


**3480 Firestone Blvd.
Southgate CA**

- A. ALL WORK SHALL CONFORM TO THE 2013 EDITION OF THE CALIFORNIA BUILDING CODE, AND ALL OTHER APPLICABLE CODES, STANDARDS, AND REGULATIONS OF THE CITY OF SOUTHGATE, COUNTY OF LOS ANGELES.
- B. IT IS INTENDED THAT A COMPLETE OCCUPIABLE BUILDING PROJECT IS PROVIDED.
- C. THE GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION (A.I.A. A201 LATEST EDITION) ARE A PART OF THESE CONTRACT DOCUMENTS. A COPY IS ON FILE AT THE ARCHITECT'S OFFICE.
- D. DO NOT SCALE THESE DRAWINGS. VERIFY ALL DIMENSIONS AND CONDITIONS IN THE FIELD. ANY DISCREPANCIES IN THESE DRAWINGS SHALL BE BROUGHT TO THE ATTENTION OF THE ARCHITECT PRIOR TO STARTING WORK.
- E. ALL PROPOSED SUBSTITUTIONS SHALL BE APPROVED BY THE M.B.M.I. CONSTRUCTION MANAGER, IN WRITING, PRIOR TO INSTALLATION.
- F. RETAIN THE PROJECT GEOTECHNICAL ENGINEER TO PROVIDE OBSERVATION AND TESTING SERVICES DURING THE GRADING (INCLUDING UTILITY TRENCHES) AND FOUNDATION PHASE OF CONSTRUCTION AS RECOMMENDED IN THE GEOTECHNICAL REPORT. ALL TESTING AND INSPECTION REPORTS, INCLUDING FINAL SUMMATION LETTER, SHALL BE SUBMITTED TO THE BUILDING DEPARTMENT AND OWNER. G.C. SHALL CERTIFY PAD ELEVATION PRIOR TO START OF FOUNDATION WORK.
- G. SUBMIT PAY FEES AND OBTAIN ALL PERMITS ASSOCIATED WITH THE PROJECT EXCEPT GENERAL BUILDING PERMIT. THIS INCLUDES, BUT IS NOT LIMITED TO ELECTRICAL, MECHANICAL, PLUMBING, FIRE SPRINKLER, HOOD ANSUL, OR OTHER RELATED FIRE PERMITS, ENCROACHMENT PERMIT, ETC. YUM BRANDS WILL PAY FOR CONNECTION FEES ASSOCIATED WITH UTILITY PERMITS. PAY FOR TEMPORARY FACILITIES FEES AS REQUIRED TO COMPLETE THE WORK IN A TIMELY MANNER.
- H. PROVIDE EACH SUBCONTRACTOR WITH A COMPLETE AGENCY-PERMITTED DRAWING SET AT TIME OF CONSTRUCTION.
- I. ALL ABBREVIATIONS INCLUDED FOLLOW INDUSTRY STANDARDS. CONTACT ARCHITECT IF ANY ABBREVIATIONS ARE NOT CLEAR.
- J. GC SHALL SUPPLY AND INSTALL ALL ASPECTS OF THE PROJECT DESCRIBED IN THIS DRAWING SET UNLESS OTHERWISE NOTED. SEE SCOPE OF WORK FOR EXCEPTIONS.
- K. GRAPHIC AND WRITTEN INFORMATION ON DRAWINGS SHALL BE COORDINATED WITH ALL TRADES PRIOR TO INSTALLATION.

GENERAL DRAWING SYMBOLS

NAME	ROOM NAME	ELEV. LETTER
1		AX-X
2		AX-X
3		AX-X
4		AX-X
5		AX-X
6		AX-X
7		AX-X
8		AX-X
9		AX-X
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LEGAL JURISDICTION: CITY OF SOUTHGATE, COUNTY OF LOS ANGELES

BUILDING CODE: CBC2013, CMC2013, CPC2013, CEC2013, CGBSC2013

BUILDING AREA, BUILDING FOOTPRINT: 2,029 SF

LOT SIZE: 19,734 SF AFTER STREET DEDICATIONS

APN: 6210-019-022

LEGAL DESCRIPTION: TRACT NO 3477 EX OF STS LOT 27

ZONE: CM

SEATING: 40

OCCUPANT LOAD: 48

OCCUPANCY: B

TYPE CONSTRUCTION: TYPE VB - UNSPRINKLED

PHONE LINES: 35 PAIR CABLE IN 2" CONDUIT

ELECTRIC SERVICE: 600 AMP'S / 3 PHASE / 120-208 VOLT

GAS: 600 900 BTUH

ZONING: CM (COMMERCIAL MANUFACTURING)

GENERAL PLAN DESIGNATION: CIVIC CENTER

OCCUPANT LOAD CALCULATION:

	NET FLOOR AREA	OCCUPANT LOAD
DINING	646 SF	(646/15) = 43
TOILET RM's	121 SF	Accessory Space (NA)
KITCHEN	654 SF	(654 / 200) = 04
STORAGE	260 SF	(260 / 300) = 01
TOTAL	1681 NET SF	48 Occupants

PROJECT SUMMARY

NEW EXTERIOR MURAL ON NORTH ELEVATION

SCOPE OF WORK

RECORDED BOOK/PAGE: PM 225466

SUBDIVISION NAME: NOT AVAILABLE

LOT/PARCEL: 5, BLOCK: NOT AVAILABLE

POR, TRACT NUMBER: NOT AVAILABLE

APN: 748-370-056-0

LEGAL DESCRIPTION

N/A

DEFERRED SUBMITTAL

PROJECT OWNER
C&R RESTAURANT GROUP
CONTACT: BRIAN COX
16787 BEACH BLVD #202
HUNTINGTON BEACH CA 92647
PHONE: (714) 594-5123

ARCHITECT
MARKS ARCHITECTS INC
2643 FOURTH AVE.
SAN DIEGO, CA 92103
CONTACT: GABRIELA MARKS
PHONE: 619, 702, 9448

PROJECT DIRECTORY

WATER SERVICE 323-563-5790	GAS COMPANY 800-427-2200
SO CAL EDISON 800-611-1911	BUILDING INSPECTIONS 323-563-9549

UTILITY CONTACTS

TITLE/SITE
T1.0 TITLE SHEET

ARCHITECTURAL
A0.1 SITE PLAN
A4.0 EXTERIOR ELEVATIONS

marks architects

architecture
interior design
retail
restaurants
space planning
master planning
lead accredited
casp

2643 fourth ave.
san diego, ca 92103
619 tel 702 9448
619 fax 702 9442

LICENSED ARCHITECT
GABRIELA MARKS
C-31482
12-30-20
RENEWAL DATE
STATE OF CALIFORNIA

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PLANNING SUBMITTAL 10.25.21

TACO BELL
3480 FIRESTONE BLVD.
SOUTH GATE, CA 90280

TACO BELL
MEDIUM 40

TITLE SHEET
T1.0
PLOT DATE

SHEET INDEX

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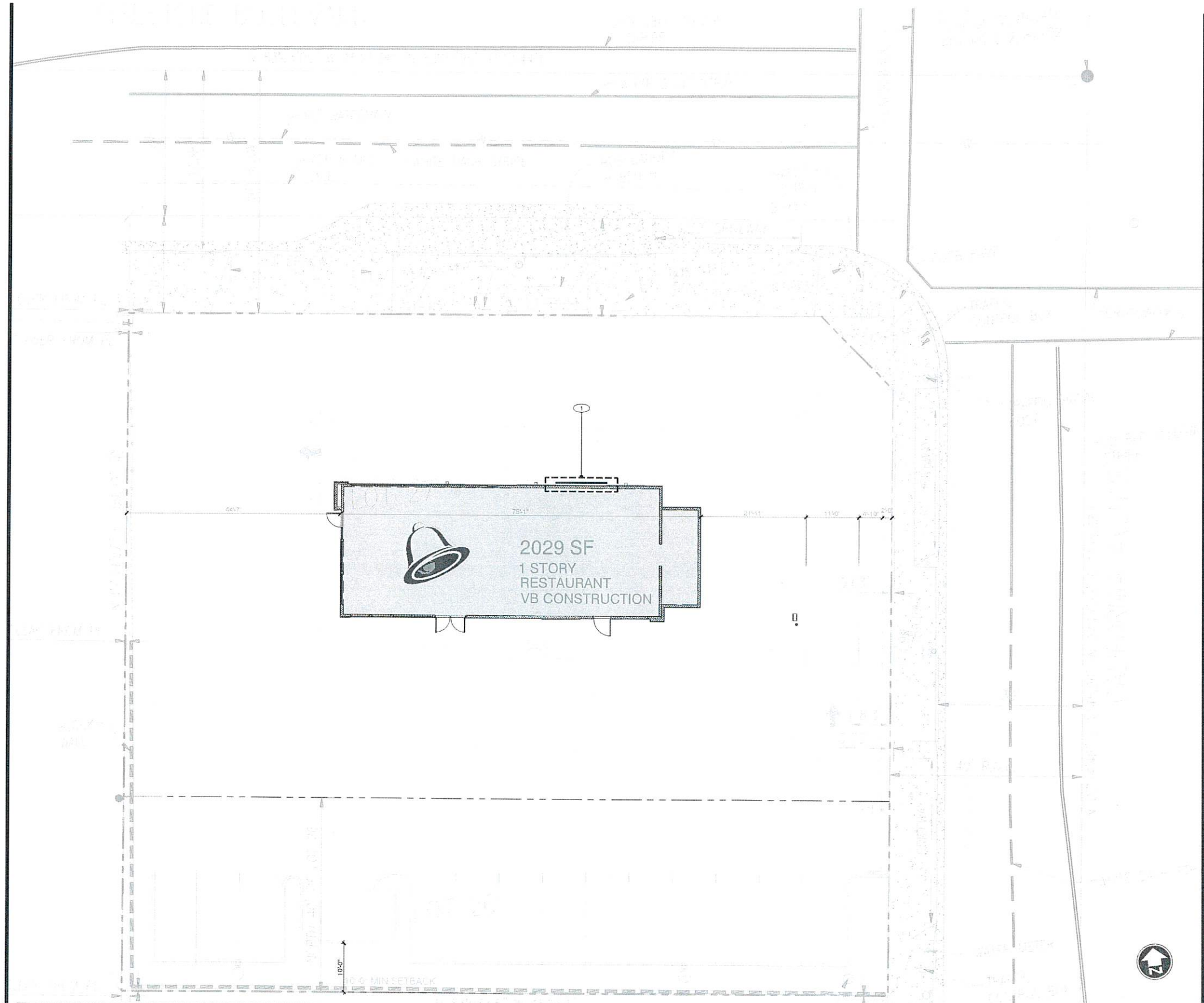
PLANNING SUBMITTAL 10.25.21

TACO BELL
3480 FIRESTONE BLVD.
SOUTH GATE, CA 90280

TACO BELL
MEDIUM 40

TITLE SHEET
T1.0
PLOT DATE

SHEET INDEX



1 NEW MURAL LOCATION. REFER TO EXTERIOR ELEVATION A4.0

KEY NOTES B



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master planning
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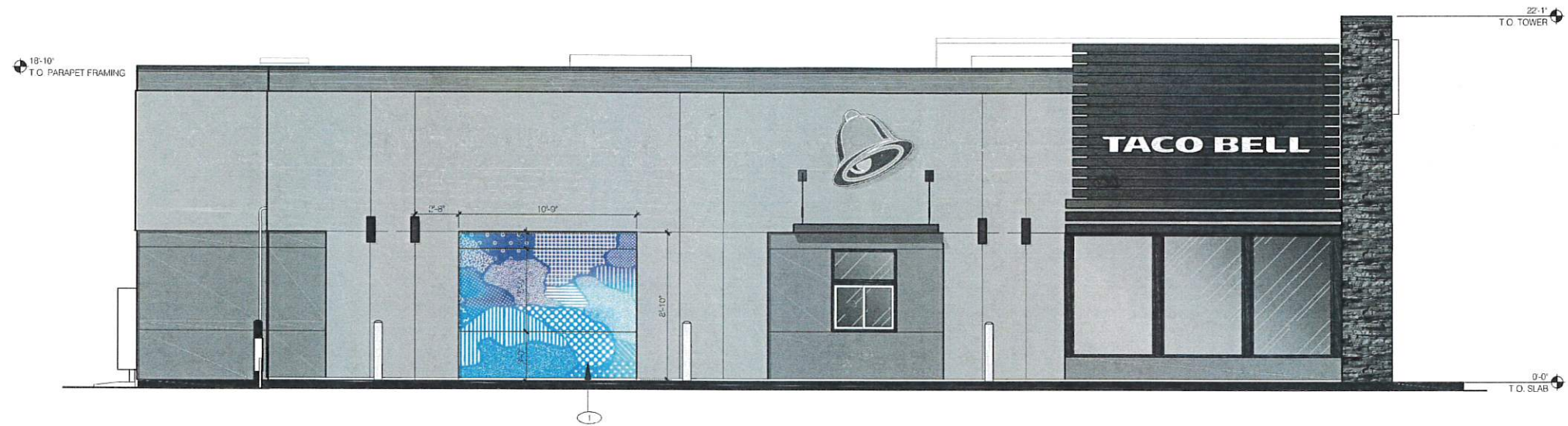
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TACO BELL
3480 FIRESTONE BLVD.
SOUTH GATE, CA 90280



**SITE
PLAN
A0.1**



NORTH ELEVATION 1/4"=1'-0" A

1 NEW BUILDING MURAL

KEYNOTES N.T.S. B



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architects

architecture
interior design
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EXTERIOR
ELEVATIONS

A4.0
PLOT DATE