SUPPLEMENTAL
AGENDA MATERIAL
for Supplemental Packet 1

Meeting Date: January 18, 2023

Item Number: 1

Item Description: Adoption of 2023-2031 Housing Element Update

Submitted by: Councilmember Rashi Kesarwani (Author)

This supplemental item proposes changes to two sections of the Housing Element to better align the language with the intent of City Council referrals related to housing programs.
TO: Honorable Mayor and Members of the City Council

FROM: Councilmember Rashi Kesarwani (Author), and Mayor Jesse Arreguín and Councilmembers Terry Taplin and Mark Humbert (Co-Sponsors)

SUBJECT: Supplemental Material: Adoption of the 2023-2031 Housing Element Update

The two proposed section changes outlined below are intended as corrections, rather than substantive changes, in order to better align the Housing Element with the intention of City Council referrals related to housing programs.

1. **Program 27 - Priority Development Areas (PDAs), Commercial and Transit Corridors.**
   First, clarify language related to San Pablo Avenue PDA Specific Plan (p. 141 of 656) as follows:

   San Pablo Avenue PDA Specific Plan – The City will be developing a San Pablo Avenue Corridor PDA Specific Plan, which will increase study allowed densities and/or development capacity; and consider design standards, public improvements, and mechanisms to incentivize affordable housing.

   Second, clarify language related to Land Use, Safety, and Environmental Justice Element Update (p. 142 of 656) by aligning language in text to be the same as the language that appears in the table. In addition, ensure that this program affirmatively furthers fair housing by stating the City’s intent to zone for densities and/or development capacity that achieves greater parity between formerly red-lined areas and higher-resource areas. In March 2021, the City Council unanimously adopted zoning concepts to consider as part of the Housing Element update, which specified accommodating growth on transit and commercial corridors.
Land Use, Safety, and Environmental Justice Element Update - The City will evaluate update zoning map and development standards to accommodate housing capacity and growth on transit and commercial corridors, particularly in the highest resource neighborhoods. These updates will increase allowed densities and/or development capacity with the goal of achieving greater parity among all transit and commercial corridors, especially between formerly red-lined areas and higher-resource areas.

Specific Actions and Timeline
By December 2026, update Land Use, Safety, and Environmental Justice Elements of the General Plan to accommodate greater housing capacity on commercial and transit corridors, particularly in the highest resource neighborhoods, to achieve greater parity among all transit and commercial corridors, and revise the City’s zoning map and development standards to be consistent

2. Program 29 - Middle Housing
Add language in Section 5 (p. 145 of 656) to clarify that a demolition of a residential structure to create middle housing would occur by-right under the following conditions: the proposed middle housing project adds net density and the existing residential structure has not been occupied by tenants over the last five years. Without this addition, the creation of middle housing would be subject to a discretionary use permit when it requires the demolition of an existing residential structure, which contravenes the intent of Council referrals to date to make it easier to create middle housing.

To facilitate the by-right development of Middle Housing, the City will eliminate the requirement of a use permit to demolish residential structures of up to three units for applications that 1) add net density and 2) have not been occupied by tenants within the past five years.

Specific Actions and Timeline
By December 2023, amend the Demolition Ordinance to provide a by-right pathway for demolition of residential structures of up to three units for projects that add net density and are not tenant-occupied within the past five years.