



**CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
STAFF REPORT**

DATE: July 24, 2024

TO: Planning Commission

FROM: Talyn Mirzakhania, Community Development Director

THROUGH: Adam Finestone AICP, Planning Manager

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SUBJECT: Code Amendments Related to Precise Development Plans, Site Development Permits, Mixed-Use Development Standards, and Density Bonus Projects

RECOMMENDATION

Staff recommends that the Planning Commission conduct a study session to discuss proposed code amendments related to Precise Development Plans, Site Development Permits, Mixed-Use development standards, and Density Bonus projects, and provide input to staff.

BACKGROUND

In September 2022, the City Council adopted the City's 6th Cycle Housing Element. In July 2023, the California Department of Housing and Community Development ("HCD") certified the Housing Element, affirming that the final version is in compliance with state housing law. The Housing Element contains a series of programs that must be implemented to further the goals stated in the document.

The proposed code amendments serve as action items to implement, in part, the following Housing Element Programs:

- *Program 3: Affordable Housing Streamlining*
- *Program II: Density Bonus*

- *Program 16: Lot Consolidation Incentive*
- *Program 18: Multifamily Residential Development Standards and Streamlining in the Mixed-Use (CL, CD, and CNE) Commercial Districts*

For each program, a fair housing issue was identified, and solutions were proposed to help alleviate that housing-related issue. The actions identified in the Housing Element to implement the programs above include, in part, the following:

- Program 3:
 - *The City has a streamlining process in place specifically for multifamily housing in residential zones [...]. Projects with six units or more that qualify for a density bonus under State law, including but not limited to, housing for lower-income, very low-income, and moderate-income households, and units for older adults, are permitted subject only to a Precise Development Plan approved by the [Community Development] Director. To minimize constraints to the development of affordable housing that may result from discretionary permitting procedures, the City will amend Chapter 10.84 (Use Permits, Variances, Minor Exceptions, Precise Development Plans and Site Development Permits) of the Zoning Code to ensure Precise Development Plan applications are subject only to an administrative non-discretionary approval process. (Attachment A)*
- Program 11:
 - *State Density Bonus Law requires a local jurisdiction to grant an increase in density, if requested by a developer, for providing affordable housing as part of a development project. Developers in the City use State Density Bonus Law, and the City has a standard application and review procedure for processing density bonus applications as part of housing development applications [...]. Government Code Section 65915 requires that a jurisdiction adopt a local Density Bonus Ordinance consistent with State law. To satisfy this requirement, the City will review and amend the local Density Bonus Program Ordinance to ensure consistency with State requirements [...]. (Attachment B)*
- Program 16:
 - *The City already provides an additional density bonus incentive under Section 10.12.030 of the MBMC above and beyond what is permitted under State law*

for multifamily residential developments meeting the minimum requirements for a density bonus. The incentive is granted in exchange for lot consolidation [...]. [T]o specifically incentivize affordable housing, including housing for extremely low- and very low-income households, and reach the City's housing target for the 6th Cycle planning period and incentivize small lot development, the City will expand the current lot consolidation incentive for sites that have been identified in the Sites Inventory (Housing Element Appendix E). Sites identified in the Sites Inventory will be granted a 5 percent base density increase when two or more parcels are consolidated into a single building site for a combined parcel size between 0.30 acres to 0.49 acres. (Attachment C)

- Program 18:

- o *Multifamily housing developments in the Local Commercial (CL), Downtown Commercial (CD), and North End Commercial (CNE) Districts are currently permitted through approval of a Conditional Use Permit. The City will review and amend the Zoning Code to permit residential uses in the CL, CD, and CNE zones without requiring approval of a Conditional Use Permit. To further incentivize affordable housing in the City, the City will remove the discretionary requirements for multifamily housing in the CL, CD, and CNE zones meeting the minimum requirements for a density bonus. (Attachment D)*
- o *To minimize constraints to the development of affordable housing, including for extremely low- and very low-income households, the City will adopt development standards for multifamily residential and mixed-use projects in the three commercial mixed-use zones (CL, CD, and CNE) instead of deferring to the High-Density Residential standards, which are otherwise subject to voter approval for certain amendments to specific residential development standards. (Attachment D)*

DISCUSSION

Intent of Code Amendments

As noted above, municipal code amendments are necessary to implement, in part, the referenced programs contained in the City's recently-certified Housing Element. Implementation of the adopted Housing Element programs is not optional; it is required pursuant to State law. This staff report provides a general overview of the topics that will be discussed during the study session in greater detail.

Permitting Procedures:

Under the existing Manhattan Beach Municipal Code (“MBMC”) Title 10 (Planning and Zoning) and Manhattan Beach Local Coastal Program (“MBLCP”) regulations, multifamily housing developments in residential zones with fewer than six units are permitted by-right. Projects with six units or more that qualify for a density bonus under State law are permitted through a Precise Development Plan (“PDP”) approved by the Community Development Director. Projects with six units or more that do not qualify for a density bonus are permitted through a Site Development Permit (“SDP”), also approved by the Director. To ensure administrative, non-discretionary review processes for housing projects, staff proposes that SDPs be eliminated as a separate type of review, and instead be folded into PDPs. The proposed amendments to processes are dictated by HCD requests to eliminate discretionary reviews for housing projects. Accordingly, appeals processes are also being amended. The only distinction for projects with six or more units will be that property owners will either be applying for a PDP that includes a density bonus component or a PDP that does not include a density bonus component.

Mixed-Use Development Standards:

The proposed, objective Mixed Use development regulations are largely consistent with those for the High-Density Residential (RH) zoning district, the Residential Overlay District (ROD), and commercial zoning district standards already established in the Code. These code sections informed the drafting of the proposed code amendments in order to continue applying provisions that acknowledge the City’s character and existing development patterns.

Density Bonus Projects:

The City’s current density bonus ordinance (Ordinance No. 13-0006) was adopted in 2013 and is out of compliance with corresponding State law. The proposed amendments to the City’s existing, local regulations for density bonus projects are limited to: (1) attaining compliance with the most recent version of State law; and (2) establishing a permit process by which City staff would review requests for waivers, concessions, and incentives associated with these projects.

Manhattan Beach Municipal Code

Accordingly, staff are preparing draft code amendments to address the programs. Details of the proposed code amendments will be discussed during the study session, specifically as they relate to the following MBMC sections and/or chapters:

- [10.12.020 \(Land Use Regulations: RS, RM, RH, RPD, and RSC Districts\)](#),
- [10.12.030 \(Property Development Regulations: RS, RM, and RH Districts\)](#),
- [10.16.020 \(CL, CC, CG, CD, CNE Districts: Land Use Regulations\)](#),
- [10.16.030 \(CL, CC, CG, CD, and CNE Districts: Development Regulations\)](#),
- [10.84.010 \(Purposes\)](#),

- [10.84.020 \(Decisionmaking Authority\)](#),
- [10.84.030 \(Initiation\)](#),
- [10.84.040 \(Notice and Public Hearing\)](#),
- [10.84.060 \(Required Findings\)](#),
- [10.84.070 \(Conditions of Approval\)](#),
- [10.84.080 \(Effective Date—Appeals\)](#),
- [10.84.090 \(Lapse of Approval—Transferability—Discontinuance—Revocation\)](#),
- [10.84.100 \(Changed Plans—New Application\)](#),
- [10.94 \(Affordable Housing Density Bonus and Incentive Program\)](#), and
- [10.100.010 \(Appeals\)](#)

Manhattan Beach Local Coastal Program

Because the Housing Element is applicable citywide, the MBLCP, which regulates development within the Coastal Zone, will also need to be amended. Affected sections and/or chapters of the MBLCP are as follows:

- A.12.020 (Land Use Regulations: RM and RH Districts),
- A.12.030 (Property Development Regulations: RM and RH Districts),
- A.16.020 (CL, CC, CG, CD, CNE Districts: Land Use Regulations)
- A.16.030 (CL, CC, CG, CD, and CNE Districts: Development Regulations)
- A.84.010 (Purposes),
- A.84.020 (Decision Making Authority),
- A.84.030 (Initiation),
- A.84.040 (Notice and Public Hearing),
- A.84.060 (Required Findings),
- A.84.070 (Conditions of Approval),
- A.84.080 (Effective Date—Appeals),
- A.84.090 (Lapse of Approval—Transferability—Discontinuance—Revocation),
- A.84.100 (Changed Plans—New Application),
- A.84.105 (Master Use Permits),
- A.94 (Affordable Housing Density Bonus and Incentive Program), and
- A.96 (Coastal Development Permit Procedures)

ENVIRONMENTAL REVIEW

This activity, a study session with the Planning Commission, is not a “Project” as defined under Section 15378 of the California Environmental Quality Act (CEQA) guidelines; therefore, the activity is not subject to CEQA pursuant to Section 15060(c)(3).

PUBLIC OUTREACH

A courtesy notice for the study session was published in The Beach Reporter and posted at City Hall on July 11, 2024. Additionally, staff utilized the City's social media platforms during the week of July 22nd, to inform the public of the upcoming study session.

CONCLUSION

Staff recommends that the Planning Commission conduct a study session, accept public comments, and provide input related to the proposed code amendments. Staff further recommends that the Commission direct Staff to return to the Planning Commission for a public hearing on a proposed ordinance related to PDPs, SDPs, mixed use-development standards, and Density Bonus projects.

ATTACHMENTS

- A. 6th Cycle Housing Element - Program 3: Affordable Housing Streamlining
- B. 6th Cycle Housing Element - Program 11: Density Bonus
- C. 6th Cycle Housing Element - Program 16: Lot Consolidation Incentive
- D. 6th Cycle Housing Element - Program 18: Multifamily Residential Development Standards and Streamlining in the Mixed-Use (CL, CD, and CNE) Commercial Districts

Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 4.1
Fair Housing Issue	Disparities in Access to Opportunity for Persons with/ or without Disabilities
Contributing Factor(s)	Land use and zoning laws; Lack of zoned capacity for multifamily housing
Program/Action Type	<p>Housing Mobility Strategies; New Housing Choices and Affordability in Areas of Opportunity</p> <ul style="list-style-type: none"> • Create opportunity for at least 412 units of multifamily housing for lower-income household through adoption of new overlay. • As 100% of sites identified to address the lower-income shortfall and the additional buffer are in Highest Resources¹ areas, the rezone efforts will create the opportunity for at least 487 affordable, multifamily housing units on at least 24.25 acres of sites with access to amenities such as recreation, services, education, and other needs.
1. 2022 TCAC/HCD Opportunity Map	

Program 3: Affordable Housing Streamlining

The City currently allows concurrent processing of all discretionary applications for a project, thereby streamlining the development process. The City will continue to offer concurrent processing of all discretionary applications for a project and inform developers of the opportunity for concurrent processing.

As detailed in **Programs 11 and 18**, the City has a streamlining process in place specifically for multifamily housing in residential zones. Multifamily housing developments in residential zones (Medium-Density Residential District [RM], High-Density Residential District [RH], and Residential Planned Development District [RPD]) with fewer than six units are permitted by-right. Projects with six units or more that qualify for a density bonus under State law, including, but not limited to housing for lower-income, very low-income, and moderate-income households, and units for older adults, are permitted subject only to a Precise Development Plan approved by the Director.

To minimize constraints to the development of affordable housing that may result from discretionary permitting procedures, the City will amend Chapter 10.84 (Use Permits, Variances, Minor Exceptions, Precise Development Plans and Site Development Permits) of the Zoning Code to ensure Precise Development Plan applications are subject only to an administrative non-discretionary approval process.

Through the removal of discretionary requirements, multifamily developments in the mixed-use zones will also be eligible for streamlined processing (**see Program 18 for full program details**, including objectives and timelines, related to the removal of discretionary requirements and streamlined processing for multifamily housing in the CL, CD, and CNE zones.

To further assist in the development of housing for extremely low-, very low-, low-, and moderate-income households, the City provides an affordable housing streamlined approval

process in accordance with State requirements for qualifying development proposals that provide affordable units under Senate Bill (SB) 35 streamlining.⁸ The City annually reports on affordable housing streamlining applications in the Housing Element Annual Progress Report. The City will revise internal permitting procedures to ensure that staff has clear procedures for responding to proposals for SB 35 streamlining and for prioritizing qualifying SB 35 housing developments consistent with State law.

Objectives	<ul style="list-style-type: none"> • Continue to offer concurrent processing of all discretionary applications for a project. • Amend Zoning Code to ensure a non-discretionary approval process for Precise Development Plan applications. • Process proposals for SB 35 permit streamlining consistent with State law. • Develop internal staff procedures to assist staff in responding to SB 35 proposals and permit streamlining.
Timeframe	<ul style="list-style-type: none"> • Ongoing concurrent processing of all discretionary applications for a project throughout the Housing Element planning period. • Amend the Zoning Code to ensure a non-discretionary approval process for Precise Development Plan applications and related LCP Amendments by August 2023. • Ongoing SB 35 processing throughout the Housing Element planning period and report annually. • Develop staff assistance materials by January 2023.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.2, 2.3, 2.4, 4.2
Relevant Programs	Program 11: Density Bonus Program 18: Multifamily Residential Development Standards and Streamlining in the Mixed-Use (CL, CD, and CNE) Commercial Districts
Fair Housing Issue	Disparities in Access to Opportunity for Persons with/ or without Disabilities
Contributing Factor(s)	Regulatory barriers to providing affordable, accessible housing in range of unit sizes.

⁸ Under Government Code Section 65913.4 (commonly referred to as “SB 35”), multifamily housing developments that satisfy objective planning standards—among other requirements—may be approved through a streamlined, ministerial approval process in certain jurisdictions, including the City of Manhattan Beach. Developments approved through the streamlined approval process are not subject to a Conditional Use Permit or to the California Environmental Quality Act (CEQA).

Program/Action Type	<p>New Housing Choices and Affordability in Areas of Opportunity</p> <ul style="list-style-type: none"> • Ensure a 100% objective approval process for Precise Development Applications to incentivize housing development for, but not limited to lower-income, very low-income, and moderate-income households, and housing for older adults. • Streamlined approval for residential multifamily projects with six or more units that qualify for a density bonus to increase housing choices, and opportunities for development community wide.
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Program 4: Affordable Senior Housing Preservation

The Manhattan Village Senior Villas, located at 1300 Park View Avenue, was first occupied in 1997. This project consists of 104 senior housing apartments. As a condition of the project’s approval, and as part of a settlement agreement upon sale of the property, 20 percent of the units must be reserved for very low-income households, 20 percent must be reserved for low-income households, and 40 percent of the units must be reserved for moderate-income households in perpetuity. The remaining 20 percent of the units may be rented at market rate. The occupants of the senior housing project must consist of a householder 62 years of age or older, or 55 years of age or older for persons with disabilities, according to criteria established by the Americans With Disabilities Act (ADA) of 1990 or the Federal Rehabilitation Act of 1973. This program is concerned with ensuring that the current affordability of the project is being maintained.

Although the project’s affordability agreement with the City does not expire, and the components of affordability are preserved via a deed restriction that runs with the land, the City should make contact with the owners of the Manhattan Village Senior Villas and continue to monitor and enforce affordability throughout the planning period. In addition, the City should identify qualified affordable housing developers and local non-profits as potential purchasers/managers of affordable housing units as a proactive measure.

Objectives	<ul style="list-style-type: none"> • Increase coordination with affordable project owners by contacting and meeting with property owners of project. • Monitor affordability throughout the planning period as a proactive measure to preserve 100% of affordable units in the Manhattan Village Senior Villas development and preserve units for older adults and adults with disabilities. • Create and maintain list of non-profit organizations as potential purchasers/managers of affordable housing units.
Timeframe	<ul style="list-style-type: none"> • Contact and meet with property owners of project by January 2023 and again mid-cycle by January 2026. • Monitor affordability throughout the planning period.

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Objectives	<ul style="list-style-type: none"> • Post program information on the City’s website and for distribution at the planning counter. • Increase Coordination with the LACDA with regular contact.
Timeframe	<ul style="list-style-type: none"> • Program information will be posted online and at the counter by March 2023. • Coordination will be ongoing throughout the planning period through biannual contact beginning June 2023.
Responsible Agency	Los Angeles County Community Development Commission; Community Development Department for program advertisement and coordination efforts.
Funding Sources	HOME funds and CDBG allocations, Tax Exempt Multi-Family Revenue Bond, and other County funding sources.
Relevant Policies	1.2, 1.4, 2.2, 4.2

Program 11: Density Bonus

State Density Bonus Law requires a local jurisdiction to grant an increase in density, if requested by a developer, for providing affordable housing as part of a development project. Developers in the City use State Density Bonus Law, and the City has a standard application and review procedure for processing density bonus applications as part of housing development applications (MBMC Section 10.94.050, Administration). As of September 2021, there are currently two projects in the City’s residential project pipeline (see full discussion in **Appendix E**) that will use an increase in development density in exchange for setting aside a percentage of the units as affordable housing.

The City incentivizes development of affordable housing by abiding by the local and State density bonus regulations. In addition, to further incentivize affordable units, multifamily projects in residential districts that qualify for a density bonus are eligible for a streamlined approval process, as described in **Programs 3 and 18**.

Government Code Section 65915 requires that a jurisdiction adopt a local Density Bonus Ordinance consistent with State law. To satisfy this requirement, the City will review and amend the local Density Bonus Program Ordinance to ensure consistency with State requirements, including the provision of a bonus for student affordable housing, senior housing, and permitting up to an 80 percent bonus for 100 percent affordable developments (see amendments needed in **Appendix C, Constraints and Zoning Analysis**).

Objectives	<ul style="list-style-type: none"> • Update Density Bonus Ordinance, consistent with State law. • Ensure the City’s Density Bonus Ordinance is consistent with future amendments to State Density Bonus Law and case law. Process related LCP Amendments as required.
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Timeframe	<ul style="list-style-type: none"> Amend the Density Bonus Ordinance by March 2023. Ongoing monitoring of future amendments to State Density Bonus Law.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.4, 3.4, 4.2
Relevant Programs	Program 3: Affordable Housing Streamlining Program 18: Multifamily Residential Development Standards and Streamlining in the Mixed-Use (CL, CD, and CNE) Commercial Districts

Program 12: Developer Outreach and Transparency

The City will actively work with the development community to identify ways that lower-income housing may be provided, including housing for extremely low-income households and those with special housing needs. The City will educate developers as to how density bonus regulations and lot consolidation incentives could be used to facilitate the development of affordable housing, including those for extremely low-income, very low-income, and low-income households. Another outreach effort will inform the development community and property owners about development opportunities for ADUs.

The City will maintain current information on the City’s website that is applicable for housing development project proposal requirements, including a current schedule of fees, exactions, applicable affordability requirements, all zoning ordinances, development standards, and annual fee reports or other relevant financial reports, consistent with the requirements of AB 1483 (2019).

Objective	Maintain relevant development checklist of materials and other information on the City’s website as detailed above and in AB 1483 (2019).
Timeframe	<ul style="list-style-type: none"> Update relevant information that is applicable for housing development project proposal requirements within 30 days of any changes, consistent with AB 1483 (2019). Ongoing throughout the planning period.
Responsible Agency	Community Development Department
Funding Sources	General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 4.1

Timeframe	<ul style="list-style-type: none"> Annually throughout the planning period. Update City website by January 2023.
Responsible Agencies	<ul style="list-style-type: none"> Los Angeles County Development Authority Community Development Department
Funding Sources	Federal Section 8 funds
Relevant Policies	1.4, 2.3, 4.1, 4.3
Fair Housing Issue	Disproportionate Housing Needs
Contributing Factor(s)	Lack of rental relief programs or units in higher resource areas
Program/Action Type	<p>Housing Mobility Strategies</p> <ul style="list-style-type: none"> Support the provision of five vouchers annually throughout the community. As all census tracts in the City are designated as Highest Resources¹ areas, the provisions of vouchers in the City increases access to amenities such as recreation, services, education, and other needs, for the voucher recipients.
1. 2022 TCAC/HCD Opportunity Map	

Program 16: Lot Consolidation Incentive

The City already provides an additional density bonus incentive under Section 10.12.030 of the MBMC above and beyond what is permitted under State law for multifamily residential developments meeting the minimum requirements for a density bonus. The incentive is granted in exchange for lot consolidation, in accordance with the following formula:

Combined Parcel Size	Base Density Increase*
Less than 0.50 acres	No increase
0.50 acres to 0.99 acres	5% increase
1.00 acre or more	10% increase
* Excluding density bonus	

As shown in the table above, and in accordance with MBMC Section 10.12.030, multifamily developments meeting the minimum requirements are currently granted a 5 percent base density increase when two or more parcels are consolidated into a single building site for a combined parcel size between 0.50 acres to 0.99 acres through the existing lot consolidation bonus incentive. However, to specifically incentivize affordable housing, including housing for extremely low- and very low-income households, and reach the City's housing target for the 6th Cycle planning period and incentivize small lot development, the City will expand the current lot consolidation incentive for sites that have been identified in the Sites Inventory.¹⁰ See the

¹⁰ See Tables 8, 9, 10, and 15 in Appendix E, Sites Analysis and Inventory, for additional parcel details.

Electronic Housing Element Site Inventory Form included as **Exhibit A** of **Appendix E**, Sites Analysis and Inventory, for a complete list of parcels identified in the Sites Inventory. Sites identified in the Sites Inventory will be granted a 5 percent base density increase when two or more parcels are consolidated into a single building site for a combined parcel size between 0.30 acres to 0.49 acres.

In addition, the City will continue to facilitate consolidation and development of small parcels through the following actions:

- Publicize the lot consolidation program on the City’s website, and to all housing developers at the Planning counter or who contact the City with any interest in development throughout the community.
- Assist affordable housing developers through technical assistance in identifying opportunities for lot consolidation using the City’s GIS system and property database.
- Expedite processing for lot consolidations processed concurrently with other planning entitlements for affordable housing developments.
- Waive fees for lot consolidations processed concurrently with other planning entitlements for affordable housing developments.

Through this program’s incentives and actions detailed above, the City assumes they will process and approve 6 lot consolidations for qualifying multifamily developments throughout the planning period. The City will complete a mid-cycle effectiveness review to ensure that three projects that utilize the lot consolidation incentive have been approved by the planning cycle mid-point (November 2025). If the City has not reached the mid-cycle goal of three lot consolidations, the City will develop and implement a proactive outreach strategy that includes creating and maintaining a list of affordable housing providers that they will proactively contact on an annual basis to inform them of available incentives and opportunities for lot consolidation opportunities.

Objectives	<ul style="list-style-type: none"> • Continue to provide a consolidation bonus incentive in the form of a 5 to 10 percent base density increase for sites based on the combined parcel size as provided in Section 10.12.030 of the MBMC. • Publicize the program on the City’s website, and to all housing developers at the Planning counter or who contact the City with any interest in development throughout the community. • The City will continue to provide technical assistance to housing developers by assisting affordable housing developers in identifying opportunities for lot consolidation using the City’s GIS system and property database. If needed, the City will develop additional outreach strategies as detailed in the mid-cycle objective below. • Expedite processing and waive fees for lot consolidations processed concurrently with other planning entitlements for affordable housing developments.
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	<ul style="list-style-type: none"> • Amend Section 10.12.030 of the MBMC to provide a lot consolidation bonus incentive in the form of a 5 percent base density increase for sites between 0.30 acres to 0.49 acres identified in Exhibit A, Electronic Housing Element Site Inventory Form, of Appendix E. • Process and approve 6 lot consolidations throughout the community. • Complete a mid-cycle effectiveness review to ensure that 3 lot consolidations have been approved by the planning cycle mid-point. If the City has not reached the mid-cycle goal, the City will develop and implement a proactive outreach strategy that includes creating and maintaining a list of affordable housing providers that they will proactively contact to inform them of available incentives and opportunities for lot consolidation opportunities.
Timeframe	<ul style="list-style-type: none"> • Ongoing lot consolidation bonus incentive throughout planning period. • Develop promotional material to publicize program and update City's GIS system and property database by February 2024. • Dedication of staff time and technical assistance, including assisting affordable housing developers in identifying opportunities for lot consolidation using the City's GIS system and property database, ongoing throughout the planning period. • Ongoing expedited processing and fee waivers for lot consolidations processed concurrently with other planning entitlements throughout the planning period. • Amend Section 10.12.030 of the Zoning Code by August 2023. Process LCP Amendments as required. • Process and approve 6 lot consolidations throughout the community within the planning period. • Complete a mid-cycle effectiveness review to ensure that 3 lot consolidations have been approved by November 2025. If the City has not reached the mid-cycle goal, the City will develop and implement a proactive outreach strategy within six months of the review. Outreach will be conducted on an annual basis throughout the remainder of the planning period.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 2.4, 4.2
Fair Housing Issue	Disparities in Access to Opportunity

Contributing Factor(s)	Land use and zoning laws
Program/Action Type	<p>New Housing Choices and Affordability in Areas of Opportunity</p> <ul style="list-style-type: none"> • Provide a consolidation bonus incentive in the form of a 5 to 10 percent base density increase to incentive a variety of housing types, including those with special needs, affordable housing and housing for older adults. • Process and approve 6 lot consolidations throughout the community. • Expedite processing for lot consolidations for affordable housing developments to incentivize affordable housing. • Waive fees for lot consolidations for affordable housing developments to incentivize new affordable housing.

Program 17: *Manufactured Housing*

As defined in the MBMC, a mobile home is considered a manufactured home, which includes factory-built housing on a permanent foundation. State law requires that the City's Zoning Code permit manufactured housing in the same manner and in the same zone(s) as conventional single-family dwellings in zones that permit single-family dwellings (Government Code Section 65852.3). Although the current Zoning Code includes manufactured homes as a multifamily residential classification, MBMC Section 10.52.100 dictates that manufactured housing is only permitted in residential zoning districts, and is not allowed as an additional unit on an already developed lot or as an ADU on an already developed lot. To comply with State law, the City will amend the Zoning Code to clarify that manufactured housing is treated as a single-family dwelling and is permitted in all of the same zones and same manner as other single-family structures, including in commercial or mixed-use zones.

State law requires that cities and counties allow mobile home parks (including condominium and cooperative parks) on all land planned and zoned for residential land use, provided, however, that a use permit may be required (Government Code Section 65852.7). The MBMC does not currently define mobile home parks; therefore, it also does not identify zoning districts in which this use is permitted. To comply with State law, the City will amend the MBMC to permit mobile home parks on all land zoned or planned for residential land uses. In addition, the City will enforce mobile home park replacement and relocation requirements in accordance with State law (Government Code Section 65863.7).

Objectives	<ul style="list-style-type: none"> • Amend the MBMC to ensure consistency with State law regarding manufactured homes. • Amend the MBMC to ensure consistency with State law regarding mobile home parks.
Timeframe	<ul style="list-style-type: none"> • Amend the MBMC and submit related LCP Amendment applications by March 2023.

Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.2, 2.4, 4.1

Program 18: Multifamily Residential Development Standards and Streamlining in the Mixed-Use (CL, CD, and CNE) Commercial Districts

Under the City’s current regulations, multifamily housing developments in residential zones with fewer than six units are permitted. Projects with six units or more that qualify for a density bonus under State law are permitted subject only to a Precise Development Plan approved by the Director.

Multifamily housing developments in the Local Commercial (CL), Downtown Commercial (CD), and North End Commercial (CNE) Districts are currently permitted through approval of a Conditional Use Permit. The City will review and amend the Zoning Code to permit residential uses in the CL, CD, and CNE zones without requiring approval of a Conditional Use Permit. To further incentivize affordable housing in the City, the City will remove the discretionary requirements for multifamily housing in the CL, CD, and CNE zones meeting the minimum requirements for a density bonus. All projects that qualify for the State density bonus will be eligible for streamlined approvals through a non-discretionary approval process for Precise Development Plan applications (detailed in **Program 3**). Residential developments with six or more units that are not eligible to receive a density bonus shall be permitted through a Site Development Permit (review of Site Development Permits are limited to confirming that the project complies with applicable development standards and does not examine the appropriateness of the use itself). (See full Site Development Permit processing and Planning Commission’s objective findings detailed in Section 2.4.3 of Appendix C.)

Additionally, under Chapter 10.16, Commercial Districts, of the MBMC, portions of a building intended for residential use in a mixed-use project or purely residential developments in mixed-use zones are currently subject to the High-Density Residential District residential standards in Chapter 10.12, Residential Districts, of the MBMC. To minimize constraints to the development of affordable housing, including housing for extremely low- and very low-income households, the City will adopt development standards for multifamily residential and mixed-use projects in the three commercial mixed-use zones (CL, CD, and CNE) instead of deferring to the High-Density Residential standards, which are otherwise subject to voter approval for certain amendments to specific residential development standards.¹¹ The City will ensure that the adopted standards for residential and mixed-use projects do not reduce the intensity of land use¹² or reduce the site’s residential development capacity, consistent with the Housing Crisis Act of 2019.

¹¹ In accordance with Section 10.12.0030, Property development regulations: RS, RM, and RH district, the development standards for the residential zoning districts, RS, RM and RH, shall not be amended to increase the standards for maximum height of structures or maximum buildable floor area, or to reduce the standards for minimum setbacks, minimum lot dimensions or minimum lot area per dwelling unit, unless the amendment is first submitted to a city-wide election and approved by a majority of the voters.

¹² In accordance with State law, “reducing the intensity of land use” includes, but is not limited to, reductions to height, density, or floor area ratio, new or increased open space or lot size requirements, new or increased setback requirements, minimum frontage

Through this process, the City will implement **Program 20, Objective Design Standards**, through the development of new objective design standards.

Objectives	<ul style="list-style-type: none"> Amend the Zoning Code to remove discretionary requirements and provide streamlined processing through a Precise Development Plan permit for multifamily housing in the CL, CD, and CNE zones for projects that qualify for a density bonus. Amend the Zoning Code to permit multifamily developments with six or more units that are not eligible to receive a density bonus in the CL, CD, and CNE zones subject to a Site Development Permit. Adopt development standards for multifamily residential and mixed-use projects in the CL, CD, and CNE zones.
Timeframe	<ul style="list-style-type: none"> Amend the Zoning Code and related LCP Amendments by August 2023. Streamlining availability to be ongoing throughout the planning period.
Responsible Agency	Community Development Department
Funding Sources	City General Fund
Relevant Policies	1.2, 2.1, 2.2, 2.3, 2.4, 3.4, 4.2
Relevant Programs	Program 3: Affordable Housing Streamlining Program 11: Density Bonus Program 20: Objective Design Standards
Fair Housing Issue	Segregation and Integration; Disproportionate Housing Needs
Contributing Factor(s)	Community opposition; The availability of affordable units in a range of sizes
Program/Action Type	<p>New Housing Choices and Affordability in Areas of Opportunities; Housing Mobility Strategies (Developing multifamily housing opportunities)</p> <ul style="list-style-type: none"> Remove Conditional Use Permit requirements for multifamily projects in the City’s mixed-use zones to provide opportunities for new, multifamily developments across various areas of the community. Streamlined, objective approval through a Precise Development Application for multifamily projects with six or more units that qualify for a density bonus to increase housing choices, and opportunities for, but not limited to lower-income, very low-income, and moderate-income households, and housing for older adults.

requirements, or maximum lot coverage limitations, or any other action that would individually or cumulatively reduce the site’s residential development capacity.