Attachment 5



# **Agenda Item**

**DATE:** OCTOBER 20, 2022

**TO:** PLANNING COMMISSION

FROM: CARMELA CAMPBELL, ECONOMIC, AND COMMUNITY DEVELOPMENT DIRECTOR

- SUBJECT: DRAFT HOUSING ELEMENT AMENDMENTS TO THE GENERAL PLAN AND TITLE 18, ZONING, OF THE UNION CITY MUNICIPAL CODE, AND AN ADDENDUM TO THE 2040 GENERAL PLAN ENVIRONMENTAL IMPACT REPORT (EIR).
- **APPLICANT:** CITY OF UNION CITY
- REQUEST:GENERAL PLAN AMENDMENT (AG-22-003) MUNICIPAL<br/>CODE AMENDMENT (AT-22-006), ZONING MAP<br/>AMENDMENT (A-22-003), AND AN ADDENDUM TO THE 2040<br/>GENERAL PLAN EIR: The City is proposing to amend the 2040<br/>General Plan; the Zoning Map; and Title 18 of the Union City<br/>Municipal Code, for consistency with the Draft 2023-2031 Union City<br/>Housing Element and 2040 General Plan.

## LOCATION: Citywide

## ENVIRONMENTAL ASSESSMENT:

In accordance with State California Environmental Quality Act (CEQA) Guidelines Section 15164, an Addendum (Attachment 1 Exhibit A) to the 2040 General Plan Environmental Impact Report (EIR) has been prepared for the proposed Draft Housing Element amendments.

#### SUMMARY:

The City of Union City is proposing amendments to the General Plan, Zoning Ordinance, and Zoning Map for conformance with the Draft Housing Element. The City, as the lead agency under CEQA, has also prepared an Addendum to the 2040 General Plan EIR evaluating potential CEQA impacts associated with the amendments. These proposed amendments include rezoning and/or redesignating<sup>1</sup> nine specific sites in the city to allow residential development or intensify residential land uses, adopting a new Zoning Ordinance, Chapter 18.27, Village Mixed Use (VMU) District, to implement the 2040 General Plan Village Mixed Use (VMU) designation, minor amendments to Chapter 18.35, Corridor Mixed Use Commercial (CMU) District, and Chapter 18.36, Commercial Districts, for consistency with the Draft Housing Element, and related Zoning Map amendments. These amendments are required for the City to meet its obligation under State law to maintain an inventory of vacant and underutilized land suitable for residential development that can accommodate a total of 2,728 housing units by January 31, 2023.

## I. BACKGROUND

#### 2023-2031 Draft Housing Element

The Housing Element is one of seven mandatory elements that must be included in Union City's General Plan and unlike the other elements is required to be updated every eight years. This element evaluates housing needs and issues in the City, and contains goals, policies, objectives, and implementation programs that the City uses to guide actions related to housing. An important part of State housing element law is the determination of the City's ability to accommodate State forecasted housing demand for all income levels. The Association of Bay Area Governments (ABAG) manages the Regional Housing Needs Allocation (RHNA) process, which assigns a "fair share" of housing to the jurisdictions in the Bay Area. Each jurisdiction is required to report to the State Department of Housing and Community Development (HCD) on how the fair share allocation can be accommodated within the planning period. For the 2023-2031 planning

<sup>&</sup>lt;sup>1</sup> Some sites are proposed to be rezoned and redesignated (i.e., update General Plan land use designation), while other are proposed to be rezoned *or* redesignated. See section II (Discussion) below and Attachment 2 Exhibit B and Attachment 4 Exhibit A.

period, Union City's RHNA is 2,728 units, a 137 percent increase from the prior planning period. The majority of jurisdictions in the Bay Area saw similar increases.

The Planning Commission reviewed the sixth cycle (2023-2031) Draft Housing Element and related General Plan and Zoning Ordinance amendments at their July 7 meeting (see Attachment 5 and 6). The Commission recommended approval of the amendments and submittal of the Draft Housing Element to HCD for the state mandated review. The draft was amended to reflect feedback from the Planning Commission and members of the public during the 30-day public comment period which ended on July 13, 2022. The amended Draft Housing Element was submitted to HCD by staff on July 28, 2022.

HCD's initial 90- day review period will conclude on October 26, 2022. HCD has communicated to staff that the City will receive comments on the Draft Housing Element at the conclusion of the review period. Staff will provide a revised submittal to HCD based on the initial comment letter. Any subsequent review(s) by HCD will take 60 days. As a result, the proposed amendments included in this item are required to be adopted in advance of certification of the Housing Element in order for the City to accommodate its RHNA of 2,728 housing units, including 1,358 lower-income units by January 31, 2023. This will alleviate any penalties associated with not having adequate sites by the Housing Element adoption deadline of January 31, 2023.

## **Rezoning and General Plan Redesignation Housing Element Sites**

While most sites listed in the Draft Housing Element already have appropriate zoning and General Plan land use designations to allow for housing, nine sites require amendments in order for the City to meet its RHNA of 2,728 housing units prior to January 31, 2023—the start of the sixth cycling Housing Element planning period. Of these nine sites, seven sites are required to be rezoned in the Zoning Ordinance and redesignated in the General Plan, and two sites only require rezoning.

## Zoning Ordinance and General Plan Amendments

In addition to rezoning and redesignating specific parcels to implement the Housing Element and ensure the City can meet its RHNA, certain amendments to the Zoning Ordinance and/or General Plan are also required. These amendments relate to implementation of state law, policies and programs included in the Draft Housing Element, consistency with the General Plan, and clarifying existing text where applicable. The General Plan text amendments include amendments to the Land Use, Special Areas,

and Economic Development Elements of the General Plan. The Zoning Ordinance text amendments include creating a new Chapter (18.27) to implement the 2040 General Plan VMU designation, and amendments to Chapter 18.35 Corridor Mixed Use Commercial (CMU) District and Chapter 18.36 Commercial Districts. Zoning Map amendments are required for consistency with the General Plan and Zoning Ordinance amendments.

Per state law, these amendments and zoning changes are required to be adopted by the City Council by January 31, 2023 so that the City has adequate capacity to meet its RHNA.

## **II. DISCUSSION**

## A. General Plan Amendments

1. General Plan Text Amendments

Text amendments are proposed to three General Plan Elements to align with the Draft Housing Element. These include the Land Use, Special Areas, and Economic Development Elements. These General Plan text amendments are included in detail in Attachment 2 Exhibit A and summarized below:

- I. Land Use Element:
  - Amending the Land Use Diagram (Figure LU-1) based on the proposed General Plan redesignation and rezoning outlined in Section A.2, below. The diagram will be amended to show the change in parcel land use designations in Attachment 2 Exhibit B.
  - Modifying the land use description for Mixed-use Employment to remove reference to the development of an Area Plan (Program SA-7A). Applicable policies will be maintained, but an Area plan is no longer required due to the proposed rezoning (see Section A.1.II, below) and other development projects currently in process along the Union City Boulevard corridor.
  - Removing Policy LU-5.9 which limits the density on the Diamond Mine site to 20 du/ac. The policy is inconsistent with the planned increased in density for the parcel; site LM-14 (see Section A.2, below).
- II. Special Areas Element:

- Amending Figure SA-1 (map of the Special Areas) to modify the district boundaries for the Union City Boulevard District and Historic Alvarado District based on land use changes connected to sites LM-12 and LM-15.
- Amending Figure SA-7.1 (map of the Union City Boulevard District) to reflect proposed land use changes. This amendment is required as a result of the redesignated VMU parcels (see site LM-15 in Table 1 and Figure 1).
- Amending the map of the Historic Alvarado District (Figure SA-11.1) to reflect proposed land use changes connected to sites LM -12 and LM-15.
- Amending Figure SA-11.2 (map of Historic Alvarado District sub-areas) to modify the district boundary to include sites LM-12 and LM-15.
- Amending Policy SA-7.3 and removing Program SA-7.A applicable to the Union City Boulevard District to remove references to the Area Plan and to more generally cover improvements within the Union City Boulevard area.

During the 2040 General Plan update, the Union City Boulevard District was identified as a potential area for new higher-density residential development, due to proximity to the Historic Alvarado District, and to compliment the envisioned higher density office and flex-industrial buildings to be developed along the Union City Boulevard corridor. The requirement for an Area Plan was, in part, to ensure that the district would maintain a balanced mix of uses that were compatible, and to guide how the area redeveloped.

This policy is proposed for amendment based on a few considerations. These include the expansion of the VMU zoning and General Plan designations to three underutilized industrial properties located adjacent to the Sugar Mill condominium development (discussed further below), which is currently the edge of the area that encompasses the Historic Alvarado District. These parcels are also included as a site (LM-15) in the City's Draft Housing Element. This amendment will provide for the additional residential capacity in the Union City Boulevard corridor, envisioned in the 2040 General Plan. In addition, environmental work has begun for a proposed 400,000 square foot life science/research and development campus on one of the larger, vacant development sites located along Union City Boulevard, removing one of the main sites which could have successfully accommodated residential development under an area plan.

- III. Economic Development:
  - Modifying Policy ED-1.4 and Program ED-1.B, which require the City to conduct a comprehensive evaluation when sites with industrial and commercial land use designations are considered for residential uses, so that it does not apply to opportunity sites identified in the Housing Element. This amendment is required because the existing policy and program would have the potential to reduce the feasibility of developing housing on these sites, which is considered a constraint by HCD. It should be noted that for the opportunity sites included in the Housing Element, staff completed a comprehensive analysis, which took into consideration several factors, to determine the appropriateness of allowing residential uses on existing industrial and commercial sites.

## 2. General Plan Redesignation and Rezoning

Table 1 outlines the proposed parcel by parcel General Plan land use redesignations and Zoning changes for each of the nine sites requiring amendments. These changes are also shown in Attachment 2 Exhibit B and Attachment 4 Exhibit A. Two sites — LM-11, and LM-13 — are being rezoned to align with the existing General Plan designation, and as a result do not require a redesignation. One site — LM-9 — requires a partial redesignation of two parcels. As outlined in Attachment 5, all sites in Table 1/Figure 1 are listed

in the Draft Housing Element and require amendments in order for the sites to be available as opportunity sites in the inventory.

Site Address	APNs	Site Identifier	Existing General Plan Designation	Proposed General Plan Designation	Existing Zoning	Proposed Zoning
1780 Whipple Rd.	475-141-13-2	LM-7	С	CMU	CN	CMU
1800 Whipple Rd.	475-141-2	LM-8	С	CMU	CN	CMU
884-920 Whipple Rd.	486-18-59, 486- 18-60, 486-18- 61, 486-18-62, 486-18-63, 486- 18-64, 486-18- 65-2, 486-18-69, 486-18-70, 486- 18-71	LM-9	R 17-30 du/ac and C (parcels 486- 18-64 and 486-18-65-2)	R 17-30 du/ac (no change except to parcels 486- 18-64 and 486-18-65-2)	CN & R 5000 (parcel 486-18-70)	RM 1500
33090 Mission Blvd.	87-36-148, 87- 36-149	LM-10	С	CMU	CN	CMU
33549 Mission Blvd.	486-6-30	LM-11	CMU	CMU	CC	CMU
30793 Vallejo St.	483-10-12-1	LM-12	R 3-6 du/ac	R 10-17 du/ac	RS 6000	RM 2500
3955-3995 Smith St.	483-10-22-3, 483-10-21-1, 483-10-20, 483- 10-19-1	LM-13	VMU	VMU	CS	VMU
4400 Horner St.	482-27-16-1	LM-14	R 10-17 du/ac	R 17-30 du/ac	ML	RM 1500
30500-30600 Union City Blvd.	483-5-11-2, 483- 5-12, 483-5-9-2, 483-5-10, 483-5- 7-7, 483-5-8-1	LM-15	EMU	VMU	MS	VMU

#### Table 1: Sites Proposed for General Plan and/or Zoning Amendments



Figure 1: Sites Proposed for General Plan and/or Zoning Amendments

## B. <u>Municipal Code Amendments</u>

The proposed Municipal Code Amendments are shown in Attachment 3 Exhibit A and Exhibit B (redlined).

1. Chapter 18.27 Village Mixed-Use (VMU) District (New Chapter)

This new code chapter creates a new zoning district to implement the General Plan's VMU land use designation, which was a new designation added as part of the 2040 General Plan process. With the exception of rezoned parcels comprising site LM-15 in Table 1 above, existing parcels designated as VMU in the General Plan are currently zoned CS (Specialty Commercial District). This zoning district is being replaced with adoption of the new VMU zoning district. Many of the standards that previously applied to the CS district are being carried over into the new VMU district including those related to density, parking, and setbacks. The design criteria section was not updated from what is currently listed in the CS zoning district and is based on guidance included in the "Design Guidelines for Old Alvarado" (approved in 1989). This is due to the fact that the City is working on an Objective Multi-Family Development Standards project (presented to the Planning Commission at its August 18, 2022 meeting), which will include new design and development standards for the new VMU zoning district.

## 2. Chapter 18.35 Corridor Mixed Use Commercial (CMU) District

The CMU zoning district amendments are required to fix minor inconsistencies with the Housing Element and General Plan and internal inconsistencies within the chapter. These amendments include specifying mixed-use development density and composition, and modifications to the site area per dwelling unit, FAR, and lot dimensions standards.

## 3. Chapter 18.36 Commercial Districts

Chapter 18.36 is being amended due to the creation of the VMU zoning district which is replacing the CS zoning district. The proposed amendments remove all references to the CS district in the chapter and any specific requirements applicable to the Historic Alvarado District. These sections have been incorporated into the new VMU zoning district, as appropriate.

## C. Zoning Map Amendments

Changes are required to the citywide zoning map due to the changes listed in Table 1 and shown in Attachment 4 Exhibit A. Staff will prepare an updated zoning map, available on the City's website, following City Council adoption of the proposed amendments and addendum.

## D. EIR Addendum

An EIR was prepared as part of the Union City 2040 General Plan, and was certified in 2019. This EIR evaluated the potential environmental impacts that would result from the 2040 General Plan update. Under CEQA Guidelines Section 15164, preparation of an addendum is appropriate where a previously certified EIR has been prepared and some changes or revisions to the project are proposed, or the circumstances surrounding the project have changed, but none of the changes or revisions would result in significant new or substantially more severe environmental impacts than what were previously analyzed. For the proposed amendments associated with the Draft Housing Element which include rezoning and redesignating specific housing opportunity sites and related General Plan Amendments, Zoning Ordinance amendments, and Zoning Map amendments, the City determined that an Addendum to the General Plan EIR was appropriate.

The Addendum (Attachment 1 Exhibit A) was prepared in accordance with all applicable CEQA Guidelines. The Addendum evaluates whether the project would result in any changes in circumstances or substantial new information as compared to the environmental impacts identified in the certified EIR prepared for the General Plan. In regard to each potential environmental impact analyzed, the Addendum establishes that no substantial changes in circumstances have occurred, nor has any new information of substantial importance been identified requiring new analysis or verification, and no new or more severe impacts would occur beyond what was previously analyzed in the General Plan EIR. Attachment 1 is a Resolution recommending the City Council adopt an Addendum to the 2040 General Plan EIR.

Once the Draft Housing Element has been fully vetted by HCD and its ready for certification, a second Addendum will be prepared for the 2023-2031 Housing

Element, which will include any updates to address feedback from HCD as well as an update to the Safety Element<sup>2</sup>. Based on HCD's review timelines, this is anticipated to occur in Spring, 2023.

## E. Public Outreach

The City conducted extensive community outreach for the Draft Housing Element in February and March, 2022, using a variety of approaches. This included two virtual workshops in Spanish and English, a web-based survey in five languages, and a table at the Old Alvarado Park Farmer's Market. A newspaper notice for the Draft Housing Element amendments and this Planning Commission meeting was published in the Tri-City Voice as required by State Law.

## **III. REQUIRED FINDINGS**

## CEQA

The Planning Commission recommends that the City Council adopt the Addendum to the 2040 General Plan Final Environmental Impact Report in compliance with CEQA and the CEQA Guidelines based on the following findings:

- 1. The Planning Commission has reviewed and considered the Addendum to the 2040 General Plan Final Environmental Impact Report and finds that none of the conditions requiring preparation of a subsequent EIR or negative declaration have occurred, and that the changes that are part of the project would not result in any significant impacts not considered under the original EIR.
- 2. The Addendum to the 2040 General Plan Final Environmental Impact Report is the appropriate CEQA document for the project and has been prepared in compliance with CEQA and the CEQA Guidelines. The Addendum has been prepared as required by law and the document reflects the independent judgement and analysis of the City of Union City, which has exercised overall control and direction of its preparation

<sup>&</sup>lt;sup>2</sup> Recent state laws (SB 1035, AB 747, SB 99) now require cities to conduct a climate change vulnerability assessment and to integrate climate adaptation and resiliency strategies into their safety elements upon each revision of a jurisdiction's Housing Element or Local Hazard Mitigation Plan with the goal of identifying new information relating to flood and fire hazards, climate adaptation and resiliency strategies.

## General Plan

1. Pursuant to Government Code Section 65358(a), that the proposed General Plan Amendment is in the public interest.

## Zoning Text and Map Amendments

Section 18.64.060 requires that, when considering Zoning Ordinance Amendments, the Planning Commission shall provide a recommendation to the City Council on the following:

- 1. Recommendation whether or not the application should be granted or denied, including the reasons for the recommendation;
- 2. The relationship of the application or proposal to the general plan and any applicable specific plans; and
- 3. Whether the change is necessary or desirable to achieve the purposes of Title 18.

## **IV. ALTERNATIVES**

- 1. Recommend approval of the proposed Draft Housing Element General Plan, Zoning Text, and Zoning Map amendments and adoption of the Addendum to the 2040 General Plan EIR to the City Council as proposed;
- 2. Recommend approval of the proposed Draft Housing Element General Plan, Zoning Text, and Zoning Map amendments and adoption of the Addendum to the 2040 General Plan EIR to the City Council with stated modifications;
- 3. Recommend denial of the proposed Draft Housing Element General Plan, Zoning Text, and Zoning Map amendments and Addendum to the 2040 General Plan and EIR to the City Council, stating reasons for denial;
- 4. Continue the matter for further consideration.

## V. RECOMMENDATION

Staff recommends that the Planning Commission recommend approval of the Draft Housing Element amendments to the City Council including: approval of General Plan Amendment (AG-22-003), Zoning Text Amendment (AT-22-006), Zoning Map Amendment (A-22-003), and adoption of the Addendum to the 2040 General Plan EIR, based on the following specific findings:

- 1. That the Addendum to the 2040 General Plan EIR is the appropriate CEQA document for the project, and has been prepared in compliance with CEQA and the CEQA Guidelines; and
- 2. That the proposed General Plan amendment is in the public interest because the amendment will further the goals and policies of the General Plan to promote a mix of housing types and affordability throughout the city that meets the needs of existing and future residents, and include a mix of housing types within neighborhoods to promote a diversity of household types and housing choices for residents of all ages and income levels; and
- 3. That the proposed Zoning text amendment should be granted to ensure consistency with State law which requires consistency between the General Plan, Housing Element, and Zoning Ordinance and to provide housing opportunity for all income levels; and
- 4. That the proposed Zoning text amendment is necessary and desirable to achieve the purpose of Title 18 because the amendments will facilitate development opportunities for housing at multiple income levels, which aligns with the purpose to encourage the provision of a variety of housing types and prices to meet the needs of all economic segments of the City and fix reasonable standards to which buildings and building additions shall conform; and
- 5. That the proposed Zoning text amendment is consistent with the General Plan. because the proposed amendment replaces an existing zoning district, Specialty Commercial (CS) in Chapter 18.32 (Commercial Districts), with a new zoning district, Chapter 18.27, Village Mixed Use (VMU), to align with the General Plan and updates existing zoning districts to implement the vision, goals and policies of the Housing Element and General Plan, as amended, to facilitate the development of projects that mix housing, commercial, or employment uses to enable residents to live close to businesses and employment and continue to provide opportunities for a variety of housing types at varying densities and affordability levels; and

- 6. That the proposed Zoning map amendment should be granted to ensure consistency with State law which requires consistency between a jurisdiction's General Plan, Housing Element, and Zoning Ordinance; and
- 7. That the proposed Zoning map amendment is consistent with the General Plan. The proposed map amendment replaces an existing zoning district, Specialty Commercial (CS), with a new zoning district, Village Mixed Use (VMU), to align with the General Plan land uses, and applies existing zoning districts to new parcels to implement the vision, goals and policies of the General Plan and Housing Element; and
- 8. That the proposed Zoning map amendment is necessary and desirable to achieve the purpose of Title 18 because the amendment will encourage the provision of a variety of housing types and prices to meet the needs of all economic segments of the City and fix reasonable standards to which buildings and building additions shall conform.

It is further recommended that the Planning Commission adopt the attached resolutions confirming this action.

## Prepared by

Coleman Frick, Senior Planner

## **Attachments**

- 1. Attachment 1: Draft Planning Commission Resolution Recommending the City Council Adopt an Addendum to the 2040 General Plan EIR
  - Exhibit A: Draft Addendum to the 2040 General Plan EIR
- Attachment 2: Draft Planning Commission Resolution Recommending the City Council approve the Housing Element Related General Plan Amendments (AG-22-003)
  - Exhibit A General Plan Text Amendments and Updated Figures
  - Exhibit B General Plan Land Use Parcel Redesignation
- 3. Attachment 3: Draft Planning Commission Resolution Recommending the City Council Adopt Related Zoning Text Amendments (AT-22-006)
  - Exhibit A Zoning Text Amendments
  - Exhibit B Zoning Text Amendments (Redlined)

- 4. Attachment 4: Draft Planning Commission Resolution Recommending the City Council Adopt Related Zoning Map Amendments (A-22-003)
  - Exhibit A Parcel Rezoning
- 5. <u>Attachment 5: July 7, 2022 Planning Commission Staff Report–Draft Housing</u> <u>Element</u>
- 6. Attachment 6: July 7, 2022 Planning Commission Meeting Minutes