



Agenda Item

DATE: NOVEMBER 8, 2022

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: CARMELA CAMPBELL, ECONOMIC AND COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: PUBLIC HEARING AND ADOPT TWO RESOLUTIONS 1) ADOPTING AN ADDENDUM TO THE 2040 GENERAL PLAN EIR, 2) AMENDING THE GENERAL PLAN (AG-22-003), AND INTRODUCE TWO ORDINANCES 1) AMENDING TITLE 18, ZONING, OF THE UNION CITY MUNICIPAL CODE (AT-22-006), AND 2) AMENDING THE OFFICIAL ZONING MAP (A-22-003) FOR CONSISTENCY WITH THE DRAFT 2023-2031 HOUSING ELEMENT

EXECUTIVE SUMMARY

Staff recommends that the City Council adopt two resolutions 1) Adopting an Addendum to the 2040 General Plan EIR (Attachment 1), 2) Amending the General Plan (AG-22-003) (Attachment 2), and Introduce two Ordinances 1) Amending Title 18, Zoning, of the Union City Municipal Code (AT-22-006) (Attachment 3), and 2) Amending the Official Zoning Map (A-22-003) (Attachment 4) for consistency with the Draft 2023-2031 Housing Element. These actions are referred to as the “Project.”

The Planning Commission recommended approval of the Project to the City Council at its October 20, 2022, meeting on a 4-0 vote. The following are attached to this report: the Planning Commission staff report (Attachment 5), Planning Commission Desk Item (Attachment 6), Planning Commission Draft Meeting Minutes (Attachment 7), and Planning Commission Resolutions (Attachment 8) associated with that action.

STRATEGIC PLAN ALIGNMENT

This agenda item is in alignment with the following:

Goal C, Strategy 5: *Promote housing development for all income levels in the community by updating the zoning ordinance to include objective standards for new multi-family residential development in order to streamline the review of applications for housing developments, and update the Housing Element, to facilitate the development of affordable housing.*

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.

The City's existing 2015-2023 Housing Element was adopted in January 2015. On July 27, 2021, the Council adopted Resolution 5811-2021 authorizing the City Manager to enter into a professional services agreement with Ascent Environmental, Inc. ("Ascent") for preparation of the Housing Element update and related update to the General Plan Safety Element¹.

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 (i.e., sixth cycle) planning 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 Draft 2023-2031 Housing Element and related General Plan and Zoning Ordinance amendments at their July 7 meeting. 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 in response to feedback received from Commissioners and members of the public. The amended Draft Housing Element was submitted to HCD on July 28, 2022 and is available on the [City's website](#).

Proposed Amendments

HCD's initial 90-day review period of the Draft Housing Element concluded on October 26, 2022. HCD provided comments which are currently under review by staff. Staff will provide a revised submittal to HCD based on the initial comment letter. Any subsequent review(s) by HCD will take 60 days.

The City is proposing amendments to the General Plan, Zoning Ordinance, and Zoning Map for conformance with the Draft Housing Element. The proposed 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. As a result, due to HCD review timelines, the proposed amendments included in this item are required to be adopted in advance of certification of the Housing Element. This is intended to alleviate any

¹ 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.

penalties associated with not having adequate sites by the Housing Element adoption deadline of January 31, 2023.

ANALYSIS

Sites Inventory

The Housing Element Sites Inventory identifies opportunities for housing production to meet the City's RHNA and includes a buffer of additional RHNA capacity for each income category. The inventory details housing opportunities sites by income level based on allowable density. Per state law, the City is required to demonstrate that it has sufficient land zoned for residential development to accommodate its RHNA. However, the inventory does not dictate when or how much housing is built since new housing construction is based on a variety of factors outside of the City's control such as market conditions, available financing, land availability, and construction costs, and is ultimately driven by private property owners unless the site is City-owned.

Approved projects that have not yet been constructed can be counted towards the City's RHNA. These include: Seven Hills Estates located at the end of Florence Street in the Seven Hills neighborhood, Lazuli Landing located on Mission Boulevard between D Street and E Street, Union Flats 2.0 along 11th Street in the Station District, the Horner Street Mixed Use project located in the Historic Alvarado District, and Carmel on the Bay located adjacent to the Turk Island land fill on Carmel Way. In addition, residential projects that were not included in the current Housing Element and were approved in the last year such as the Station East Residential Mixed-Use Project and the Dyer Meteor Townhome project can be counted towards the 2023-2031 RHNA.

The city is mostly built out, so it is not possible to accommodate the remaining RHNA through vacant sites zoned for residential use alone. As a result, in addition to vacant sites, the inventory also includes "underutilized" sites (i.e., nonvacant infill sites), that are developed, but have redevelopment potential to include housing. To determine whether a nonvacant site should be included in the inventory, staff and the consultant team conducted a thorough analysis, which took into consideration a variety of factors including site conditions, staff knowledge of existing uses, property owner interest, and nearby development activity. Through that process, the team produced a refined list of sites for the sites inventory. In total, 36 vacant and underutilized sites, are included in the Sites Inventory (see Figure 1 below). For more information regarding the sites, see Chapter 3 of the [Draft Housing Element](#).

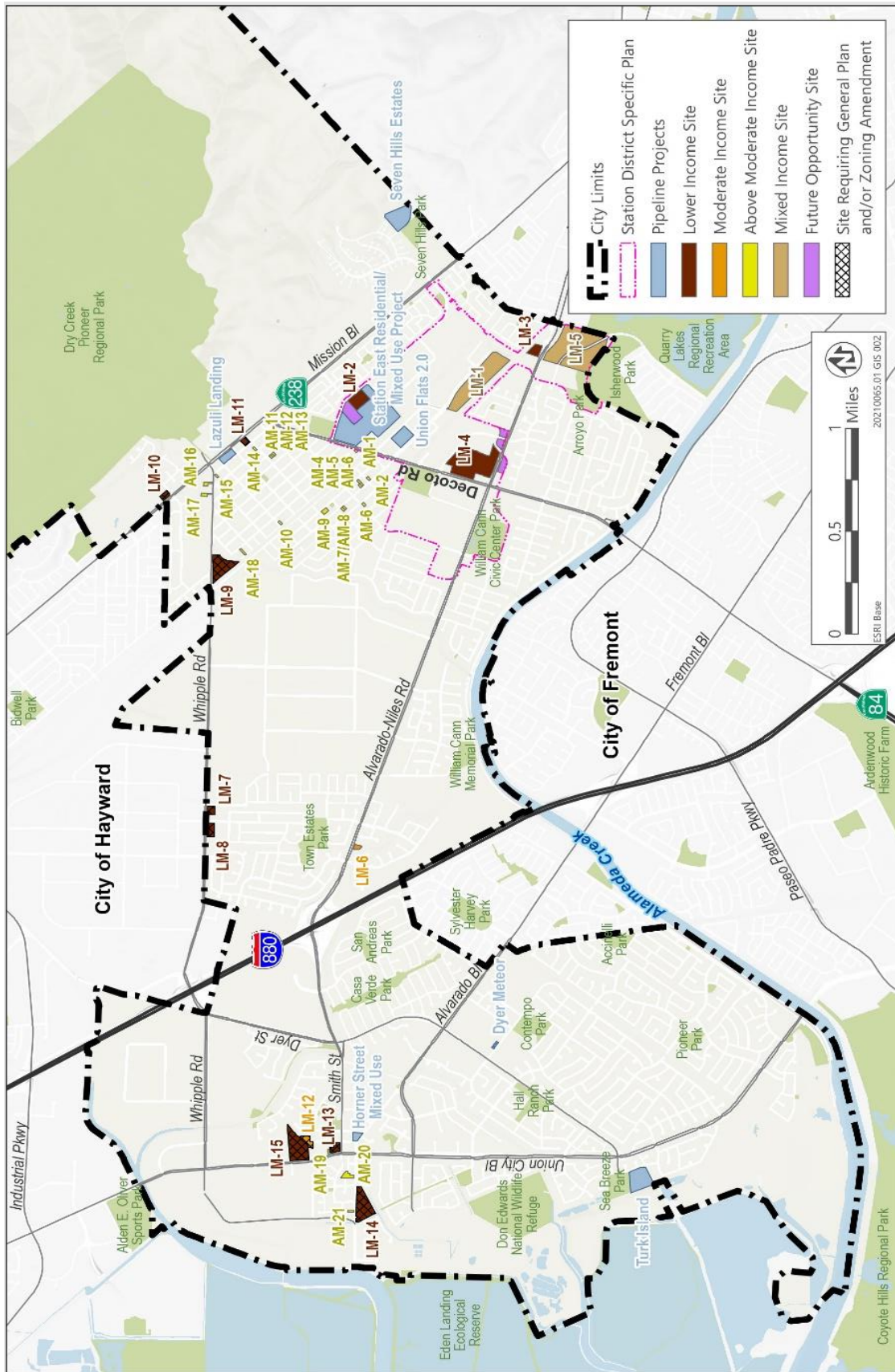


Figure 1: Map of Housing Opportunity Sites

Required Zoning and General Plan Amendments

General Plan Land Use and Zoning Map Amendments

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 obligation of 2,728 housing units. Table 1 outlines the proposed land use updates to the General Plan and Zoning designations for each of the nine sites requiring amendments. Figure 2 shows where the sites are located. 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 their existing General Plan designation, which was updated as part of the 2040 General Plan approval. One site, LM-9, includes several parcels requiring different amendments. The General Plan designation for two of these parcels is proposed to be updated for consistency with the remaining parcels.

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

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	C	CMU	CN	CMU
1800 Whipple Rd.	475-141-2	LM-8	C	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	C	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

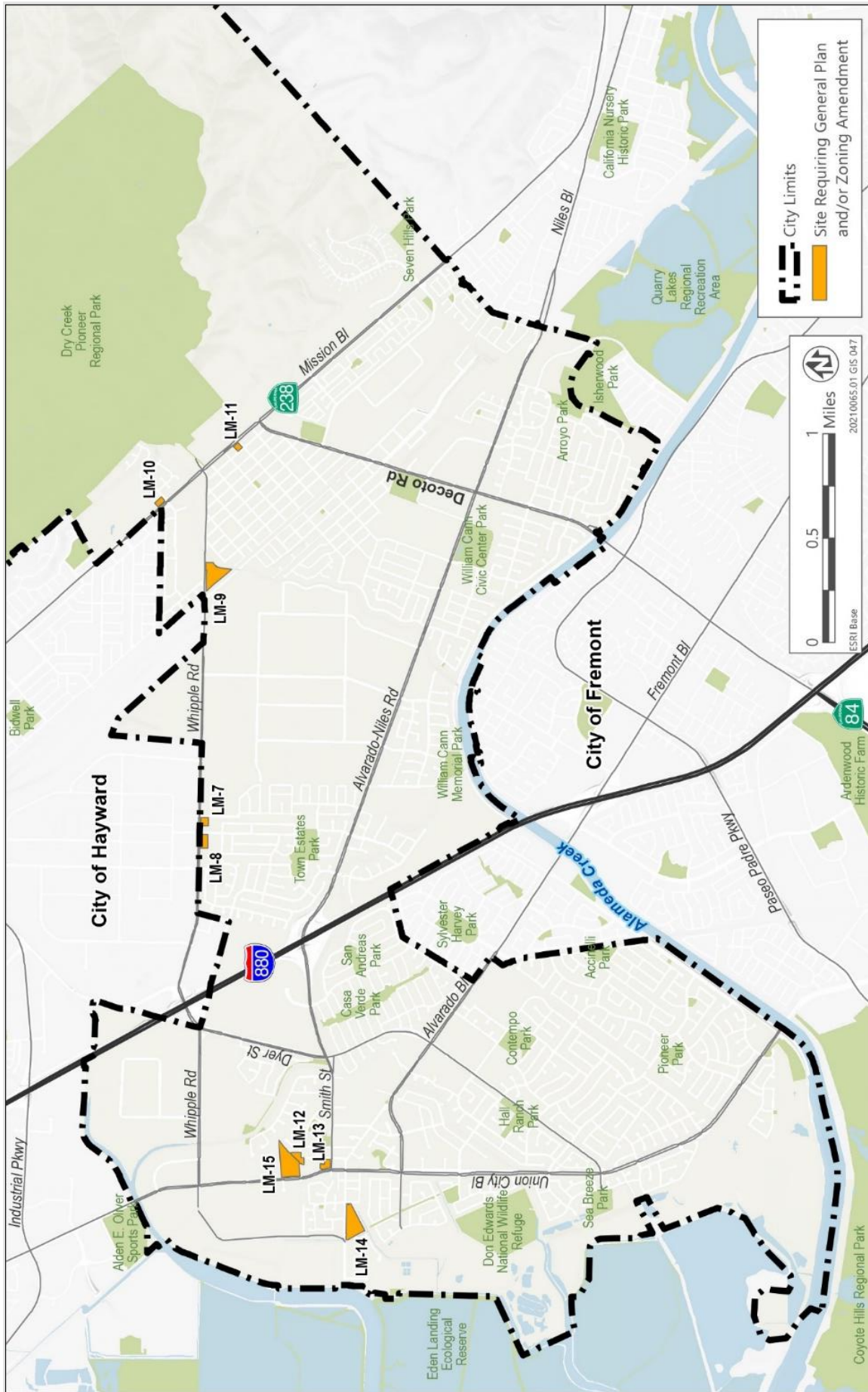


Figure 2: Sites Proposed for General Plan and/or Zoning Map Amendments

Zoning Ordinance and General Plan Amendments

In addition to rezoning and redesignating specific parcels to implement the Draft 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 language 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 consistency 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.

These amendments and zoning changes are required to be adopted by the City Council, then codified into the Zoning Ordinance by January 31, 2023 so that the City has adequate capacity to meet its RHNA at the beginning of the planning period.

General Plan Amendments

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

Land Use Element

- 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 and other development projects currently in process along the Union City Boulevard corridor (see Special Areas section, below).
- 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).

Special Areas Element

- Amending Figure SA-1 (i.e., 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 (i.e., 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 2).
- 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.

Economic Development Element

- 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.

Zoning Ordinance Amendments

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

- *Chapter 18.27 Village Mixed-Use (VMU) District (New Chapter)*

This new 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. 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). This zoning district is being replaced with adoption of the new VMU zoning district. The City is working on an Objective Multi-Family Development Standards project (presented to the Council at its September 13, 2022 meeting), which will include new design and development standards for the new VMU zoning district.

- *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.

- *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 zoning district in the chapter and any specific requirements applicable to the Historic Alvarado District.

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.

CEQA Determination

An EIR was prepared as part of the Union City 2040 General Plan and was certified on December 10, 2019. This EIR evaluated the potential environmental impacts that would result from the 2040 General Plan update. Under California Environmental Quality Act (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, the City determined that an addendum to the General Plan EIR was appropriate.

The Addendum (Attachment 1 Exhibit A) was prepared in accordance with CEQA. The Addendum evaluated 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 established 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 for the project.

Planning Commission Review and Public Feedback

To inform preparation of the Draft Housing Element, staff and the consultant team has held two virtual workshops (one in English and in Spanish), created an online community survey, and done outreach at the local Farmer's Market in Old Alvarado Park. The survey was available in English, Spanish, Mandarin, Tagalog, and Hindi. The City received 487 responses in the five languages. Staff also created a dedicated Housing Element webpage on the City's website where community members can find up to date information on the process, contact information for staff, and review the Housing Element. The Draft Housing Element was released for public review on June 13, 2022, and the public comment period closed on July 13, 2022. Notification was sent through the City's outreach channels informing community members of the release of the Housing Element and how to provide feedback. In addition, property owners of sites included in the inventory were notified by mail. The Planning Commission reviewed the Draft Housing Element and related General Plan and Zoning Ordinance amendments at their July 7, 2022 meeting. The Commission recommended approval of the amendments and submittal of the Draft Housing Element to HCD, which occurred a few weeks later. The proposed amendments reviewed by the Commission at their July meeting are the basis for the more detailed amendments currently under consideration.

The Draft Housing Element amendments, under consideration by the Council, were reviewed by the Planning Commission at their October 20, 2022 meeting. See Attachment 5, Planning Commission staff report, for more information. The Commission voted 4-0 to recommend approval of the proposed amendments to the City Council. Planning Commission resolutions supporting this recommendation are included as Attachment 8. The Desk Item from the October 20 Planning Commission meeting (Attachment 6) addressed feedback from Commissioner Lew. One member of the public also spoke at the meeting and expressed concerns regarding traffic associated with building more housing in the city. Questions from Commissioners and responses from staff during the meeting are included in the Meeting Minutes (Attachment 7).

FISCAL IMPACT

There is no fiscal impact to the General Fund associated with this item.

RECOMMENDATION

Consistent with the Planning Commission recommendation, staff recommends that the City Council hold the public hearing and adopt two resolutions 1) Adopting an Addendum to the 2040 General Plan EIR, 2) Amending the General Plan (AG-22-003), and Introduce two Ordinances 1) Amending Title 18, Zoning, of the Union City Municipal Code (AT-22-006), and 2) Amending the Official Zoning Map (A-22-003) for consistency with the Draft 2023-2031 Housing Element

ATTACHMENTS

1. Attachment 1: Resolution to Adopt an Addendum to the 2040 General Plan EIR
Exhibit A: Addendum to the 2040 General Plan EIR
2. Attachment 2: Resolution Approving Housing Element General Plan Amendments (AG-22-003)
Exhibit A: General Plan Text Amendments and Updated Figures
Exhibit B: General Plan Land Use Parcel Redesignations
3. Attachment 3: Ordinance Adopting Housing Element Text Amendments (AT-22-006)
Exhibit A – Zoning Text Amendments
Exhibit B – Zoning Text Amendments (Redlined)
4. Attachment 4: Ordinance Adopting Housing Element Zoning Map Amendments (A-22-003)
Exhibit A – Parcel Rezoning
5. Planning Commission Staff Report Dated October 20, 2022
6. Planning Commission Desk Item Dated October 20, 2022
7. Planning Commission Draft Meeting Minutes Dated October 20, 2022
8. Planning Commission Resolutions #19-22 through #22-22 Dated October 20, 2022