



Agenda Item

DATE: 05/23/2023

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-23-001) TO ADOPT THE 2023-2031 HOUSING ELEMENT AND SAFETY ELEMENT UPDATE

EXECUTIVE SUMMARY

The City of Union City ("City") is proposing amendments to the 2040 General Plan, which include the 2023-2031 Sixth Cycle Housing Element and an update to the Safety Element. The City, as the lead agency under the California Environmental Quality Act (CEQA), has also prepared an Addendum to the 2040 General Plan Environmental Impact Report (EIR) evaluating potential environmental impacts associated with the amendments.

Staff recommends that the City Council adopt two resolutions 1) Adopting an Addendum to the 2040 General Plan EIR (Attachment 1); and 2) Amending the General Plan (AG-23-001) (Attachment 2), to adopt the 2023-2031 Housing Element (Attachment 2 Exhibit A) and Safety Element Update (Attachment 2 Exhibit B). These actions are referred to as the "Project."

The Planning Commission recommended approval of the Project to the City Council at its April 20, 2023, 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 and 9) 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

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 Element.

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 (fifth cycle) planning period of 1,152 units. The majority of jurisdictions in the Bay Area saw similar increases. Table 1 shows the City’s final RHNA by household income category for the 2023–2031 planning period. The total allocation is broken down into four Area Median Income (AMI) categories: above moderate, moderate, low, and very low-income. The lower two income categories (“Low Income” and “Very Low Income”) must be accommodated on sites zoned for higher density residential development (i.e., >30 dwelling units per acre).

Table 1: 2023-2031 Regional Housing Needs Allocation

UNION CITY 2023-2031 RHNA ALLOCATION					
	Very Low- Income Units (0-50% AMI)	Low-Income Units (50-80% AMI)	Moderate- Income Units (80-120% AMI)	Above Moderate- Income Units (120%+ AMI)	TOTAL UNITS
Housing units	862	496	382	988	2,728
Percent (%) of total	32%	18%	14%	36%	100%

Through the Sites Inventory analysis in the Housing Element, the City must demonstrate that there are adequate sites with the appropriate zoning in place to accommodate its RHNA. However, it 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 demand, available financing, land availability, and construction costs, and is ultimately driven by private property owners.

Draft Housing Element General Plan Amendments and Rezoning

Staff brought forward amendments associated with the Draft Housing Element in November 2022. These included rezoning sites included in the Housing Element to accommodate the RHNA; text amendments and revisions to specific figures in the Land Use, Special Areas, and Economic Development Elements of the 2040 General Plan; amending the Zoning Map for consistency; and amending the Municipal Code to implement the 2040 General Plan VMU designation, and revise Chapter 18.35 Corridor Mixed Use Commercial (CMU) District and Chapter 18.36 Commercial Districts for consistency with the Housing Element. The City Council adopted the amendments at its November 8, 2022 meeting (with a second reading at the November 22, 2022 meeting). For more information regarding the amendments, see [City Council staff report dated November 8, 2022](#).

Housing Element Revision Process

The Housing Element has been developed through an extensive planning and collaboration process involving various City departments, the consultant team, property owners and stakeholders throughout Union City, and HCD. The Planning Commission reviewed the first Draft Housing Element at their July 7, 2022 meeting and recommended submittal to HCD with minor revisions ([See the July 7, 2022 Planning Commission staff report](#)). Staff received a comment letter from HCD on October 26, 2022.

A second draft Housing Element, responsive to HCD's comments, was submitted to HCD on January 30, 2023. For more information, see Attachment 3 for an overview of HCD's comments and City responses. Staff also met with HCD to discuss further requested revisions during the review period. HCD's second review concluded on March 10, 2023 and they provided a second comment letter. In April 2023, the Housing Element was revised in response to the comments. The Planning Commission reviewed the third draft of the Housing Element at their April 20, 2023 meeting and the Housing Element was sent to HCD on April 21, 2023, along with a response letter (Attachment 4). Since that time, staff and the consultant team have met with HCD staff regarding the latest draft, which resulted in further revisions based on these conversations. The Housing Element and Safety Element webpage (<https://www.unioncity.org/604/Housing-and-Safety-Element-Update>) contains each draft of the Housing Element. The track changes are color coded to show different rounds of revisions. Attachment 2 Exhibit C is a version of the Housing Element with tracked changes which include all revisions to the July 2022 draft Housing Element, including revisions based on HCD's comments following the April 20, 2023, Planning Commission meeting. Whereas Attachment 2 Exhibit A is a clean version of the Housing Element.

Safety Element

The Safety Element is another mandatory element of the General Plan. 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. The Safety

Element is being updated in accordance with these provisions as part of the Housing Element update process. The Safety Element amendments are included as Attachment 2, Exhibit B.

DISCUSSION AND ANALYSIS

Housing Element Components

The Housing Element consists of nine chapters, which include an introduction, assessment and analysis existing housing conditions, inventory of approved housing sites and opportunity sites, assessment of fair housing issues and practices, analysis of potential housing constraints, opportunities for residential energy conservation, evaluation of the last housing element, available programs and resources, and goals, policies, and implementation over the next eight years. A detailed description of each chapter is included in Attachment 5.

Key Housing Element Considerations

As described above, the Housing Element contains nine chapters which focus on many aspects of Union City's existing and future housing stock and policies and programs which support the development of housing for all. The following describes some key considerations which informed the Housing Element content and were unique to the sixth cycle Housing Element.

Use of Non-vacant Sites

Because Union City, like the region, is mostly built out, a large portion of new residential development in the City occurs on non-vacant sites that have existing uses. For the purposes of the Housing Element, these sites are referred to as "underutilized." The project team conducted a thorough analysis of these sites evaluating multiple factors including site conditions, staff knowledge of existing uses, property owner interest, and nearby development activity. Through that process, the team refined the list of potential sites for inclusion in the sites inventory.

Because the Housing Element is relying on these sites to accommodate more than 50 percent of the lower-income RHNA, the Housing Element must include evidence that the existing use on each non-vacant site in the inventory does not create an impediment to development during the planning period. Some of HCD's comments on the Housing Element drafts focused on this requirement.

Affirmatively Furthering Fair Housing

Assembly Bill 686 (AB 686), passed in 2018, created new requirements for jurisdictions to affirmatively further fair housing (AFFH) and not take any action that is inconsistent with this obligation. AFFH means to take "meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics."

As of the sixth cycle, all housing elements must now include an AFFH component and are required to examine the relationship of available sites to several fair housing factors and include actions to affirmatively further fair housing. The AFFH requirement is one of the most substantial changes between the fifth and sixth Housing Element cycles. It is also one of the Housing Element components that has been most scrutinized by HCD during the review process for the City's Housing Element drafts and those of other jurisdictions.

Point-in-Time (PIT) Count

Starting in 2003, Alameda County Housing and Community Development started conducting a biennial point-in-time (PIT) homeless count. The most recent PIT count was completed in February 2022 where 7,135 unsheltered homeless individuals were counted in Alameda County. In Union City, 489 unsheltered homeless persons were counted compared to 106 homeless persons in 2019, which was the last time the PIT count took place. The updated count for Union City represents seven percent of the total unsheltered population in the County.

A review of the unsheltered population by location shows that Union City had 69 percent of individuals living in a car/van, compared to 32 percent in the County. The PIT count directly informed homeless policies and programs included in the City's Housing Element.

RHNA Analysis and Sites Inventory

In order to demonstrate that the City can accommodate the number of units assigned by ABAG as part of the RHNA allocation process, the City is relying on a mix of approved but not yet constructed sites and future opportunity sites. Approved sites, shown in Figure 1 in blue, include Seven Hills Estates, Lazuli Landing, Horner Street Mixed Use, Turk Island, Station East Residential Mixed Use Project, and the Dyer Meteor Townhome project. In total, 1,491 units are included in the approved projects category.

To meet the remaining RHNA, and account for a buffer, capacity for an additional 2,187 units is included in the sites inventory. This includes vacant and underutilized sites, and projected accessory dwelling units over the eight year period. In total, the capacity identified in the Housing Element is 3,678 units as detailed in Table 2 below. The location of these sites is shown in Figure 1.

Table 2: Sites Inventory Capacity Summary

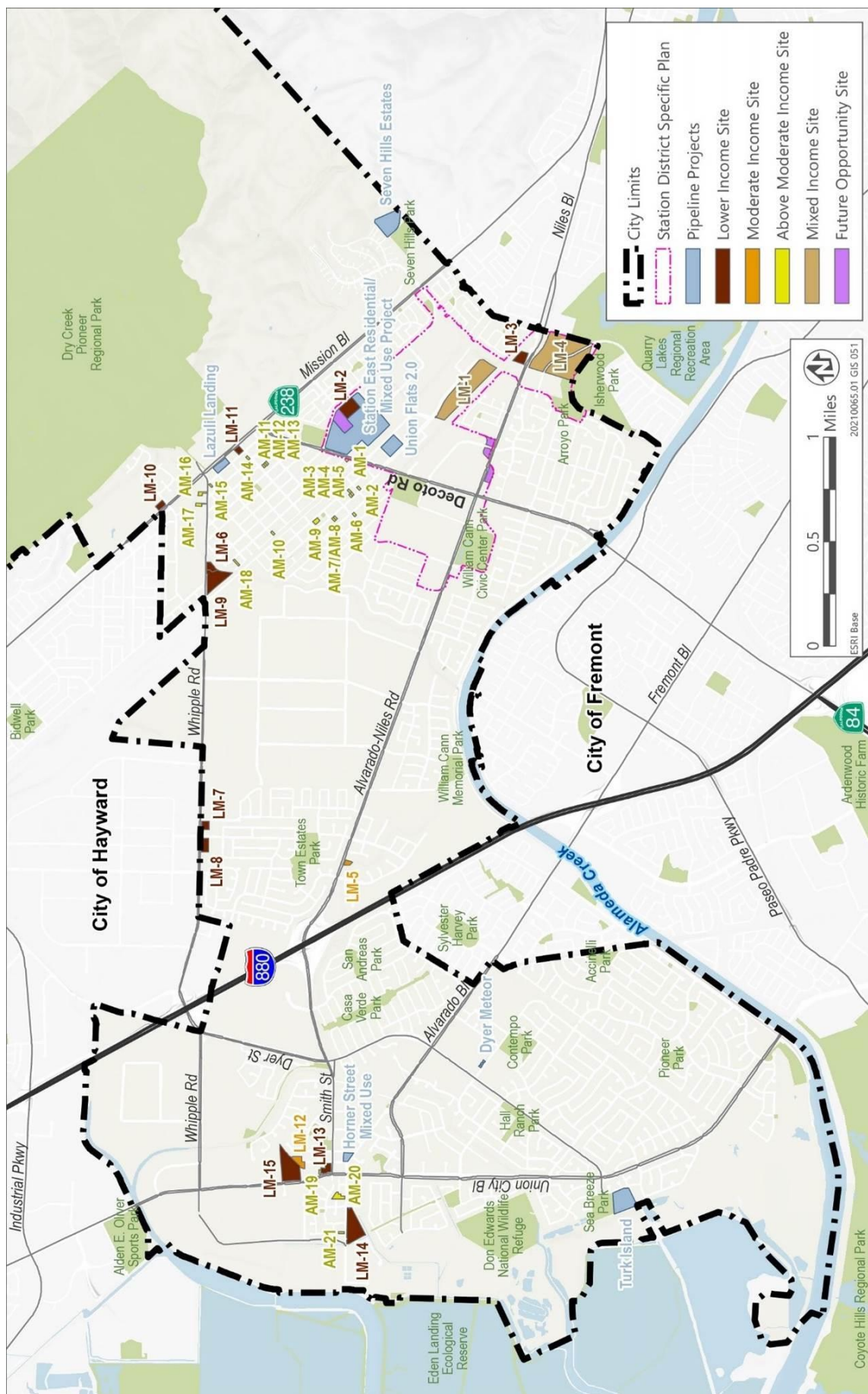
	Lower¹	Moderate	Above-Moderate	Total
Regional Housing Needs Allocation	1,358	382	988	2,728
Approved Projects	202	440	849	1,491
Station District Specific Plan Sites	668	570	200	1,438
Citywide Vacant Sites	0	6	25	31
Citywide Underutilized Sites ²	627	18	0	645
Accessory Dwelling Units (ADUs)	44	22	7	73
Total Capacity	1,541	1,056	1,081	3,678
Surplus (+)	183	674	93	950

¹ Lower-income includes extremely low-, very low-, and low-income households.

² Non-vacant sites that have the potential for redevelopment.

A total of 36 housing opportunity sites, excluding approved projects which are listed above, are analyzed in detail in the Housing Element. This includes rezoned sites approved by the City Council last fall. Of the 2,114 total units included on the opportunity sites, 68 percent of units are located on four sites in the Station District. The vast majority of sites, especially outside of the Station District, are located on underutilized parcels with existing uses. Additional details are provided for these sites in Attachment 5 and within Chapter 3 of the Housing Element (Attachment 2 Exhibit A).

Figure 1: Sites Inventory Map



Housing Element Policies and Programs

Chapter 9 of the Housing Element includes policies and implementation programs. The policies and programs are either 1) new, 2) identical to what is included in the existing Housing Element, or 3) a revised version of what is included in the existing Housing Element. Several of the policies and programs are required by state law (i.e., By-right Housing on Prior Housing Element Sites, Requirement for Replacement Housing When Housing Element Sites are Redeveloped, Rezoning for Special Needs Housing) while others reflect activities (i.e., Development of Objective Standards for Residential Development) and programs (CAREavan), which are existing or currently underway by the City.

Key Policies, Programs, and Revisions

A summary of key policies and programs are included below. Many of these were revised based on HCD comments and a few were added based on HCD comments. Please note that this list does not encompass all revisions based on HCD comments:

- *City-owned Properties.* Two programs are related to the development of City-owned land including the Restoration Site along 11th Street (Program HE-1.C) and the Gateway Site the former Caltrans site) (Program HE-1-E). Programs were added to ensure that the City takes action to support the development of these sites in a timely manner.
- *Development and Design Standards to Streamline Housing Production.* Program HE-1.F (Objective Design Standards) and Program HE-1-H (Development Standards for Missing Middle Housing Types): These programs relate to the creation of development and design standards through Zoning Ordinance amendments. Program HE-1.F addresses the development of objective design standards for the City's multi-family districts, which is currently underway and anticipated for Council consideration in summer/fall 2023. Program HE-1-H relates to the creation of development standards (e.g., minimum lot size, lot coverage, setbacks, height) that facilitate missing middle¹ housing in traditionally single-family zones.
- *Zoning Ordinance Updates.* Program HE-2.E requires the City to adopt a Religious Facility Housing Overlay zone to allow, and provide incentives for, developing affordable housing on religious facility properties, including transitional housing and emergency shelters. Program HE-7.A requires updates to the City's Zoning Ordinance to address special needs housing including amendments which will serve the homeless, very low income, and other vulnerable populations. These include amendments to facilitate the establishment of low barrier navigation centers, emergency shelters, and single-room occupancy units. Some of the proposed amendments are required by state law.
- *Homelessness.* Program HE-7.F (Scattered Site Housing for Persons Experiencing Homelessness) builds on the City's current efforts to partner with other Alameda County cities and Bay Area Community Services (BACS) to apply for Project Homekey funds to support the acquisition and conversion of single-family homes to supportive shared housing for people experiencing homelessness. The City was not awarded funding during the last Homekey cycle

¹ Small-scale multifamily housing such as duplexes, townhouses, triplexes, or smaller apartment buildings.

but will be applying again when the next Homekey grant cycle opens up.

The full list of Policies and Programs included in the Housing Element can be found in Chapter 9 of Attachment 2 Exhibit A.

Housing Element Revisions

As described above, the Housing Element has been updated in response to several rounds of HCD feedback. A detailed summary of the requested revisions by HCD and edits by the project team is included in Attachment 5; with all revisions shown in Attachment 2 Exhibit C. The attached Housing Element (Attachment 2 Exhibit A) is responsive to HCD's comments and in substantial compliance with state law. However, minor revisions may be required based on discussions with HCD, after adoption by the City Council and the draft City Council Resolution (Attachment 2) allows for this. Staff is working with HCD to receive conditional approval prior to Council adoption. Should that occur after publication of the staff report, staff will provide a copy of the conditional approval as a Desk Item. See below for a high-level overview of HCD feedback broken down by topic.

- *Affirmatively Furthering Fair Housing (AFFH)*: As a result of this recent legislation HCD has enhanced its focus on fair housing issues in the sixth cycle. Union City, and the vast majority of other jurisdictions, received many comments regarding AFFH, and HCD requested changes to the Housing Element drafts based on potential fair housing issues.
- *Sites Inventory*: The City received multiple comments on the opportunity sites and approved projects listed in the Housing Element to meet the City's RHNA. This included providing additional information, adding non-vacant site factors, summarizing characteristics of projects approved in the past, and providing more information on the status and timing of approved development projects.
- *Housing Constraints*: HCD requested additional information on a number of items related to processes or requirements that they believed could have the potential to make approving and constructing housing more difficult.
- *Policies and Programs*: HCD requested revisions to policies and programs included in the Housing Element to make the projected impact more clearly defined.
- *Miscellaneous*: Additional revisions were requested by HCD in areas not listed above to include data related to housing costs, public participation, history of lot consolidation for approved projects, outreach to historic underrepresented populations, and emergency shelters programs.

Safety Element

The Safety Element amendments (Attachment 2 Exhibit B) are intended to enhance resiliency and include new policies and programs generally focused on climate adaptation, public education, enhanced infrastructure, and emergency preparedness. Three new implementation programs are included in the amendments:

- **S-2.H Implementation of Assembly Bill (AB) 747 and Senate Bill (SB) 99**: The City's Comprehensive Emergency Management Plan (CEMP) describes how the City will effectively prepare for, respond to, recover from, and mitigate against all hazards. As part of the CEMP, the City will include capacity-based analysis of its evacuation network to identify evacuation routes and their capacity, safety, and viability under a range of emergency scenarios. This will process

will also address evacuation of existing residential developments within hazard areas with limited accessibility (i.e., less than two points of access).

- S-6.A External Adaptation Coordination: Coordination with neighboring jurisdictions, regional agencies, and community-based organizations, to identify, plan for, and implement adaptation strategies to address the potential impacts of climate hazards.
- S-6.B Public Climate Hazard Education and Awareness: The City will develop a multi-pronged outreach and awareness strategy, partnering with regional and local jurisdictions and organizations to educate residents on their level of risk to climate hazards and actions they could take to become more climate resilient, including the promotion of existing incentive programs.

Public Outreach

To solicit community participation in the Housing Element, the City engaged in extensive public outreach efforts throughout the process. This included conducting two virtual workshops (one in English and in Spanish), an online community survey, and a booth at the 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 listed above.

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 and Safety Element information, documents, and response letters to HCD. Notification was sent through the City's outreach channels informing community members of the release of the various Housing Element drafts and upcoming meetings, and how to provide feedback. In addition, property owners of sites included in the inventory were notified by mail.

Public comments received on the Housing Element are included in Appendix A of the Housing Element. A comment letter was received from Greenbelt Alliance and YIMBY Law on April 21, 2022, prior to the beginning of the public comment period, urging the City to include a rezoning component as part of the Housing Element (completed) to be able to realistically meet the City's RHNA target while also complying with AFFH guidelines. Staff also received some feedback from property owners in response to the sites inventory letter that was sent out. The majority of responses received from property owners were either in support or did not object to their property being included in the Housing Element. Comments received from members of the public included a wide range of feedback. Some of the feedback received was supportive of the need for more housing. Other comments focused on concerns with adding additional housing, especially high-density housing, and related impacts such as traffic. Additional feedback focused on the high cost of new housing, development costs generally, and ideas of where in the City to add additional housing.

For consideration of the final Housing Element, notices were sent to all interested parties via e-mail. Newspaper notices for the Planning Commission and City Council public hearings were published in the Tri-City Voice as required by state law.

Addendum to Previously Certified EIR

The proposed project is within the scope of the 2040 General Plan Environmental Impact Report (EIR) (State Clearinghouse No. 2018102057) certified on December 10, 2019, and staff recommends

adoption of the Addendum (Attachment 1 – Exhibit A). 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 2040 General Plan EIR. Regarding each potential environmental impact analyzed, the Addendum established that no substantial changes in circumstances had occurred, nor had 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 2040 General Plan EIR. Additionally, the impact analysis concluded that since no new or more severe impacts were identified, no changes or modifications to the previously adopted Mitigation Monitoring and Reporting Program were required. Attachment 1 is a Resolution recommending the City Council adopt an Addendum to the 2040 General Plan EIR.

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 adopt two resolutions 1) Adopting an Addendum to the 2040 General Plan EIR, 2) Amending the General Plan (AG-23-001) to adopt the 2023-2031 Housing Element and Safety Element Update, and authorize the City Manager to make minor revisions to the Housing Element based on any further non-substantive changes required by HCD.

Prepared by:

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Submitted by:

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ATTACHMENTS

1. Attachment 1: Resolution Adopting an Addendum to the 2040 General Plan EIR for the 2023-2031 Housing Element and Safety Element Update
 - o Exhibit A: Addendum to the 2040 General Plan EIR
2. Attachment 2: Resolution Adopting The 2023-2031 Housing Element and Safety Element Update (AG-23-001)
 - o Exhibit A: 2023-2031 Housing Element
 - o Exhibit B: Safety Element Amendments (including Appendix A: Senate Bill 99 Evacuation Route Analysis and Appendix B: Climate Change Vulnerability Assessment)
 - o Exhibit C: Redlined Housing Element (changes since July 2022 submittal HCD)
3. Attachment 3: Response Letter #1 to HCD Comments, January 2023
4. Attachment 4: Response Letter #2 to HCD Comments, April 2023
5. Attachment 5: April 20, 2023 Planning Commission Staff Report
6. Attachment 6: Planning Commission Desk Item, April 20, 2023

7. Attachment 7: Draft Planning Commission Meeting Minutes, April 20, 2023
8. Attachment 8: Planning Commission Resolution 07-23 Recommending the City Council Adopt an Addendum to the 2040 General Plan EIR
9. Attachment 9: Planning Commission Resolution 08-23 Recommending the City Council Approve the 2023-2031 Housing Element and Safety Element Update (AG-23-001)