



CITY COUNCIL STAFF REPORT



March 19, 2024

ITEM TITLE

Council Referral: Report on Implementing Senate Bill 10 Within the City of Chula Vista

Report Number: 24-0047

Location: No specific geographic location

Department: Development Services

G.C. § 84308: No

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act (“CEQA”) State Guidelines. Therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Receive the report and provide direction to staff.

SUMMARY

Senate Bill 10 (“SB10”) is a housing bill that allows cities to voluntarily opt-in and adopt ordinances allowing for the development of up to 10 residential units on any parcel. The legislation allows for the units to be developed at a height specified in the ordinance if the parcel is located in a transit-rich area or an urban infill site as defined within the bill.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with CEQA and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

On December 13, 2023, the Planning Commission voted 7-0-0 in opposition to the City opting-in to SB10. Commissioners expressed concerns with the destruction of community character, loss of local control related to zoning, exacerbated parking issues, and the effects on neighborhoods already struggling with Accessory Dwelling Units (“ADU”s). Concerns were also expressed that SB10 this would be disproportionately applied to parcels on the west side of the City where developers could take advantage of the larger lots to add more units. Commissioners stated that while they understood that more housing is needed, “one size does not fit all” for the City of Chula Vista.

DISCUSSION

At the July 11, 2023 City Council meeting Councilmember Gonzalez asked staff to review SB10 and provide the Council with an analysis of the legislation. Specifically, Councilmember Gonzalez asked if there were ways Chula Vista could take advantage of the provisions of SB10 (i.e., CEQA exemptions) without any of the “pitfalls”. The issue was referred to City Staff to analyze SB10 and provide feedback on what could be accomplished, if anything, at the local level.

On September 16, 2021, the Governor of the State of California signed SB10 into law (Attachment 1). This legislation is not mandatory, but rather allows a City to opt-in and adopt an ordinance that would significantly upzone residential density on parcels that meet certain criteria. Pursuant to SB10, the City may adopt an ordinance to zone a parcel for up to 10 units of residential density, at a height specified by the local government in the ordinance, if the parcel is located in one of the following: (1) transit rich area; (2) An urban infill site.

To date, only one jurisdiction in California has opted into SB10, which is Humboldt County. In conversations with the Planning Department of Humboldt County, City staff have verified that as of December 2023, Humboldt County had not received any SB10 applications to upzone residential property. Prior to the passage of SB10, Humboldt County had been engaged in the development of a local program to upzone certain properties to provide more affordable, multifamily housing options for their residents. SB10 offered the County another way, other than their local program, to allow for property owners to “volunteer” their property for multifamily development. Humboldt County has designated areas within their jurisdiction where property owners can volunteer their properties for inclusion; the County will process the pre-entitlement work at no expense to the property owner, thus providing a shovel-ready property ready for multifamily development. Therefore, opting into SB10 made sense for Humboldt County to complement their local effort in providing more multifamily housing.

Transit Rich Areas Defined

SB10 defines “transit rich areas” as those parcels “within one-half mile of a major transit stop, as defined in Section 21064.3 of the Public Resources Code, or a parcel on a high-quality bus corridor.” Public Resources Code Section 21064.3 defines a major transit stop as a site containing any of the following:

- (a) An existing rail or bus rapid transit station.
- (b) A ferry terminal served by either a bus or rail transit service.

- (c) The intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

SB10 defines a “high-quality bus corridor” as a corridor with fixed route bus service that meets all of the following criteria:

- (a) It has average service intervals of no more than 15 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. and 7 p.m., inclusive, on Monday through Friday; and
- (b) It has average service intervals of no more than 20 minutes during the hours of 6 a.m. to 10 p.m., inclusive, on Monday through Friday; and
- (c) It has average intervals of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.

Attachment 2 depicts the transit rich and high-quality bus corridor areas within the City that would be subject to SB10.

Urban Infill Sites Defined

SB10 defines “urban infill sites” as sites that satisfy all of the following:

- (a) A site that is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau; and
- (b) A site in which at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined; and
- (c) A site that is zoned for residential use or residential mixed-use development or has a general plan designation that allows residential use or a mix of residential and nonresidential uses, with at least two-thirds of the square footage of the development designated for residential use.

Attachment 3 depicts the parcels within the City that meet these requirements.

SB10 also stipulates that parcels located in very high fire hazard severity zones are eligible for increased residential density if they meet the provisions set forth defining transit rich areas and urban infill sites and are covered by adopted fire hazard mitigation measures. All of the parcels within the high fire hazards areas of the City of Chula Vista are covered by Fire Protection Plans that were included in the Sectional Planning Area (“SPA”) Plans for the areas in which those parcels are located.

Attachment 4 identifies all of the parcels that are currently within transit rich areas and urban infill sites as defined in SB10. This map also shows the very high fire hazard zones within the eastern limits of the City and identifies those parcels that would be eligible for increased residential densities under this legislation. It

should be noted that these maps are a “snapshot in time” and could change with amendments to bus routes or headways as well as new construction.

If the City of Chula Vista were to opt-in to SB10, approximately 69,025 of the 71,157 (97%) total parcels within the City would be *eligible* for residential densities of up to 10 units per parcel.

Areas of Chula Vista and Density

SB10 does not, however, dictate that an entire jurisdiction would be subject to its provisions and forced to allow up to 10 multifamily units on all eligible parcels should the jurisdiction opt into the law. Some local discretion seems to be allowed in terms of selecting appropriate areas of the jurisdiction where SB10 may be enacted and enforced and other areas where it would not be in effect. Additionally, while SB10 allows for “up to” 10 units on eligible parcels, the City could limit that number to a figure fewer than 10 units on select parcels or areas.

CEQA Exemptions

Councilmember Gonzalez’s referral mentioned that CEQA exemptions could be a potential advantage to the City opting into SB10. Strictly applied, SB10 would exempt only the approval of a local ordinance enacting SB10 upzoning. The law does not exempt specific SB10 projects once they are submitted to the City unless the local SB10 ordinance also makes multifamily approvals ministerial for qualifying SB10 projects. Not including such a provision would provide Chula Vista with some local control over the location, size, and scale of multifamily development within its jurisdiction. Currently, the City of Chula Vista does not ministerially approve multifamily developments.

Public Outreach

In consultation with the City of Chula Vista Housing and Homeless Services Department, Development Services Staff would recommend that a robust public outreach campaign be engaged prior to any consideration of rezoning or opting into a law such as SB10. Such effort should be designed to educate the public about SB10 and its impacts, as well as to solicit recommendations on areas of the City where more multifamily housing may be desirable and appropriate.

Recommendation:

Staff does not recommend the City opt into SB10 at this time. Careful consideration should be given to engaging in a robust public outreach effort in conjunction with a deeper analysis of areas of the City where SB10 may be appropriate. Additionally, the City should further analyze which limitations Chula Vista would want to place on SB10-eligible properties (e.g., height, density, etc.). Providing some local control on the provisions of SB10 is advised should the City consider opting into SB10.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov’t Code § 87100, et seq.). Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

There is no current year fiscal impact to the General Fund or Development Services Fund as a result of this action.

ONGOING FISCAL IMPACT

There is no ongoing fiscal impact to the General Fund or Development Services Fund as a result of this action.

ATTACHMENTS

- 1 – Senate Bill 10
- 2 – Transit Rich and High-Quality Bus Corridors Map
- 3 – Urban Infill Sites Map
- 4 – SB10 Eligible Sites Map

*Staff Contact: Scott Donaghe, Principal Planner, Development Services
Laura C. Black, AICP, Director of Development Services*