ATTACHMENT NO. 1

SUGGESTED FINDINGS OF APPROVAL

ZONING TEXT AMENDMENT NO. 19-004

FINDINGS FOR PROJECTS EXEMPT FROM CEQA:

ZTA No. 19-004 does not propose directly or indirectly development that would result in physical changes to the environment. As such, ZTA No. 19-004 would also be exempt pursuant to Section 15061(b)(3) of the CEQA Guidelines, which exempts activities where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

FINDINGS FOR APPROVAL - ZONING TEXT AMENDMENT NO. 19-004:

1. Zoning Text Amendment (ZTA) No. 19-004 to amend Section 230.26 (Affordable Housing) of the Huntington Beach Zoning and Subdivision Ordinance (HBZSO) is consistent with the objectives, policies, general land uses and programs specified in the General Plan including:

Land Use Element

Goal LU-4: A range of housing types is available to meet the diverse economic, physical, and social needs of future and existing residents, while neighborhood character and residences are well maintained and protected.

Policy LU-4 (A): Encourage a mix of residential types to accommodate people with diverse housing needs.

Housing Element

Goal 3: Enhance housing affordability so that modest income households can remain an integral part of the Huntington Beach community.

Policy 3.1: Housing Diversity. Encourage the production of housing that meets all economic segments of the community, including lower, moderate, and upper income households, to maintain a balanced community.

Program 10: Inclusionary Housing Program and Housing Trust Fund Objective. Continue to utilize the Inclusionary Housing Ordinance as a tool to integrate affordable housing within

market rate developments, or alternatively, to generate fees in support of affordable housing in off-site locations. Establish an in-lieu fee amount for projects with between 10–30 units. Re-evaluate the Ordinance consistent with case law and to reflect market conditions and adopt an amendment to the Ordinance in the first half of 2020. Since the City has already addressed its moderate income RHNA allocation, the City will implement a City-wide policy to require at least half of on-site inclusionary units to be provided at levels affordable to lower income households.

The proposed ZTA ensures that affordable units constructed on-site in market rate rental housing projects would be provided for lower income households. In addition, the proposed ZTA would allow all ownership housing projects to pay an in-lieu fee to satisfy the affordable housing requirement. If affordable units are provided within a market rate ownership housing project, the affordability level is set at moderate income. If in-lieu fees are paid by the developer of a market rate ownership housing project, those fees would be utilized for affordable housing projects that would provide deeper levels of affordability at low, very low and extremely low income levels. The proposed ZTA would therefore facilitate production of housing that meets all economic segments of the community consistent with General Plan Housing Element goal and policies. In addition, providing more options for developers to comply with affordable housing requirements furthers General Plan Land Use Element policies to encourage a mix of residential housing types and accommodate the diverse housing needs of the community.

- 2. Zoning Text Amendment No. 19-004 is compatible with the uses authorized in, and the standards prescribed for, the zoning district for which it is proposed because it does not propose any new land uses or revise development standards. The requirements provided in the Affordable Housing Ordinance are applicable to all residential projects of three or more units in any zoning district. The proposed amendments maintain this requirement and do not change land use controls or development standards for any zoning district.
- 3. A community need is demonstrated for the changes proposed because the proposed amendments will continue to facilitate the provision of affordable housing for all economic segments of the City. Additionally, the proposed amendments will further the production of affordable housing for lower income households through updated requirements for on-site affordable rental units and allowances for the payment of in-lieu fees.
- 4. Its adoption will be in conformity with public convenience, general welfare and good zoning practice because ZTA No. 19-004 ensures the code is clear, current, consistently adapting to market trends, and reflective of the City's ongoing effort to enhance housing affordability to modest income households.