



CITY COUNCIL STAFF REPORT

MEETING DATE: February 13, 2023

ITEM TITLE: Adopt Ordinance 1596 Amending San Carlos Municipal Code, Title 18, Zoning Ordinance, Sections 18.04 - Residential Districts, 18.05 – Mixed-Use Districts, 18.20 – Parking and Loading, and 18.41 – Terms and Definitions.

RECOMMENDATION:

By second reading, adopt Ordinance 1596 (Attachment 1) amending San Carlos Municipal Code, Title 18, Zoning Ordinance, Sections 18.04 – Residential Districts, 18.05 – Mixed Use Districts, 18.20 – Parking and Loading, and 18.41 – Terms and Definitions.

FISCAL IMPLICATIONS:

On May 26, 2020, the City Council adopted a resolution authorizing the City Manager to enter into a Professional Services Agreement with MIG in an amount not to exceed \$800,000 to prepare a Focused General Plan Update to the Land Use, Housing, and Safety Elements, plus Zoning Ordinance amendments and an associated Environmental Impact Report. The City Council appropriated \$800,000 toward this project in fund C1906.

On January 24, 2022 the City Council authorized a contract amendment for additional \$21,276, or for a total of \$821,276.

The City was awarded a total of \$349,441 in planning grants for this project (SB2: \$160,000; LEAP: \$150,000; REAP: \$39,441), which resulted in a fiscal impact to the City in the amount of \$471,835.

BACKGROUND:

On January 23, 2023, the City Council approved by a 5-0 vote the first reading of Ordinance 1596 to amend the San Carlos Municipal Code, Title 18, Zoning Ordinance in response to, and for implementation of, the 2023-2031 Housing Element update as adopted by the City Council on January 23, 2023.

As part of the 2023-2031 Housing Element update, the City of San Carlos was assigned a Regional Housing Needs Allocation (RHNA) of 2,735 new housing units. To achieve these RHNA targets, and accommodate new housing opportunities in San Carlos for current and future residents, amendments to the San Carlos Zoning Ordinance are necessary and serve as a foundational strategy for the Housing Element. Specifically, Action HOU-4.2 of the 2023-2031 Housing Element directs the City of San Carlos to amend the Zoning Ordinance and allow greater densities and building heights to meet its RHNA obligation as mandated by State law.

Table 1 below, copied from the 2023-2031 Housing Element, summarizes the primary changes to Zoning Districts that will accommodate and meet the State mandated RHNA.

Table 1: Proposed Changes to San Carlos Zoning Densities and Building Heights

| Table 4.4-5: Proposed Changes to Zoning Densities and Heights (2023) | | | | | | | | | | | | |
|--|-----------|-------------------------|----------|--------------------------------------|----------|----------|----------|--|----------|--|----------------------------|------------------|
| Zone | | Maximum Density (du/ac) | | Minimum Density (du/ac) ² | | FAR | | Building Height (feet) | | | Building Stories (stories) | |
| Existing | Proposed | Existing | Proposed | Existing | Proposed | Existing | Proposed | Existing | Proposed | Proposed | Existing | Proposed |
| MU-N | MU-N-40 | 20 | 40 | n/a | 30 | 2.0 | 2.5 | 50; 30 along East San Carlos Avenue in MU-N District | 50 | | 4 | 4 ⁽¹⁾ |
| MU-N | MU-N-50 | 20 | 50 | n/a | 38 | 2.0 | 2.5 | | 50 | 35 along East San Carlos Avenue in MU-N District | 4 | 4 |
| MU-N | MU-N-120 | 20 | 120 | n/a | 90 | 2.0 | 3.0 | | 75 | | 4 | 6 |
| MU-DC | MU-DC-100 | 50 | 100 | n/a | 75 | 2.5 | 2.5 | | 50 | | 4 | 4 |
| MU-D | MU-D-100 | 50 | 100 | n/a | 75 | 2.5 | 3.0 | | 60 | | 4 | 5 |
| MU-D | MU-D-120 | 50 | 120 | n/a | 90 | 2.5 | 3.0 | 30 within 40 ft of an RS district | 75 | | 4 | 6 |
| MU-SC | MU-SC-120 | 59 | 120 | n/a | 90 | 3.0 | 3.0 | | 75 | 35 within 40 ft of an RS district | 4 | 6 |
| MU-NB | MU-NB-120 | 50 | 120 | n/a | 90 | 2.5 | 3.0 | | 75 | | 4 | 6 |
| MU-SB | MU-SB-100 | 50 | 100 | n/a | 75 | 2.5 | 3.0 | 40 within 50 ft of an RS district | 60 | 40 within 50 ft of an RS district | 4 | 5 |
| MU-SB | MU-SB-120 | 50 | 120 | n/a | 90 | 2.5 | 3.0 | | 75 | | 4 | 6 |
| RM-20 | RM-20 | 20 | 20 | n/a | 15 | 0.75 | 0.75 | 35 | 35 | | 3 | 3 |
| RM-59 | RM-59 | 59 | 59 | n/a | 45 | 2.0 | 2.0 | 50 | 50 | | 4 | 4 |
| -- | RM-100 | n/a | 100 | n/a | 75 | N/A | 3.0 | n/a | 60 | | n/a | 5 |

(1) 3 stories along E. San Carlos Ave. in MU-N-40 district

(2) The City of San Carlos Zoning Ordinance does not have a minimum density requirement; with this update, a minimum density threshold is proposed.

On January 23, 2023, the City Council introduced Ordinance No. 1596 to amend the Zoning Ordinance to incorporate these and other accompanying modifications to the Zoning Ordinance to support new housing opportunities in San Carlos (see Exhibit A to Ordinance 1596).

ANALYSIS:

This project implements the City Council's Strategic Goal for Housing: *The City of San Carlos will actively encourage and support the creation of housing to provide a safe, diverse and affordable supply by facilitating development of housing for all income levels*; and further sets forth the following objective to achieve it: *Study land use and other regulatory options to increase all types of housing*.

Chapter 18.35, Amendments to the Zoning Ordinance and Map of the San Carlos Municipal Code, requires that the City Council make specific findings. These findings, along with the basis of findings, is provided below.

Zoning Ordinance Text Amendment Findings

1. The ordinance amendment is consistent with the General Plan.
2. The ordinance amendment is consistent with the purpose of this Ordinance to promote the growth of the city in an orderly manner and to promote and protect the public health, safety, peace, comfort and general welfare

Basis for findings: The proposed amendments to the Zoning Ordinance are consistent with the Goals, Policies and Actions of the 2030 General Plan, including the 2023-2031 Housing Element, and as such promote the growth of the city in an orderly manner and promote and protect the public health, safety, peace, comfort and general welfare. The amendments also implement the Focused General Plan amendments to the Land Use, Circulation, Environmental Management, Noise, and Environmental Safety and Public Services Elements, which allows for effective implementation of the objectives of the comprehensive Zoning Ordinance update, reasonable enjoyment of private property. Further, the proposed Zoning Ordinance amendments are necessary to implement the 2023-2031 Housing Element, which will allow the City of San Carlos to effectively meet its fair share of the Bay Area's regional housing needs of at least 2,735 new housing units, as set forth in the City of San Carlos' Regional Housing Needs Allocation as assigned by the Association of Bay Area Governments. The San Carlos Zoning Ordinance is the primary document that implements the provisions of the San Carlos General Plan. There must be consistency between the two documents. The goal of the proposed Zoning Ordinance amendments is to update development standards in Section 18.05 Residential Districts, 18.05 Mixed-Use Districts, 18.20 Parking and Loading, and definitions within 18.41 Terms and Definitions for the purposes of consistency with the 2023-2031 Housing Element, and the Focused General Plan amendments to the Land Use, Circulation, Environmental Management, Noise, and Environmental Safety and Public Services Elements.

Zoning District Boundary Amendment Findings

1. The change in district boundaries is consistent with the General Plan.
2. The change in district boundaries is consistent with the purpose of this title to promote the growth of the city in an orderly manner and to promote and protect the public health, safety, peace, comfort and general welfare.
3. The change in district boundaries is necessary to achieve the balance of land use desired by the City, consistent with the General Plan, and to increase the inventory of land within a given zoning district.

Basis for findings: The proposed Zoning Map amendments adjust the allowed densities, including introducing a new minimum density, for the RM-20, RM-59, MU-N, MU-DC, MU-D, MU-SC, MU-NB, and MU-SB zoning districts. In addition, accompanying increases to building height and building stories are also proposed as set forth in Action HOU-4.2 of the adopted Housing Element. The proposed amendments to the recently adopted Zoning Ordinance are consistent with the Goals, Policies and Actions of the 2030 General Plan and as such promote the growth of the city in an orderly manner and promote and protect the public health, safety, peace, comfort and general welfare. The amendments implement the 2030 General Plan which allows for effective implementation of the objectives of the comprehensive Zoning Ordinance update, reasonable enjoyment of private property and clarification of regulation implementation.

Environmental Review

On January 23, 2023, the City Council voted 5-0 to adopt Resolution No. 2023-007 certifying the Final Environmental Impact Report (EIR) for the Focused General Plan Update, including amendments to the Zoning Ordinance. This included adopting the Statement of Overriding

Considerations for significant but unavoidable affects associated with Air Quality and a Mitigation Monitoring and Reporting Program. It is generally common for General Plan EIRs in California to trigger air quality impacts and for cities to adopt a statement of overriding considerations for these impacts since they are regional issues beyond the control of local governments.

Next Steps

Should the City Council adopt, by second reading, Ordinance 1596 as agreed upon under City Council Resolution No. 2023-010 (Attachment 2), these Zoning amendments shall take effect 30-days following adoption, or on Wednesday, March 15, 2023.

ALTERNATIVES:

The options available to the City Council include:

1. Adopt Ordinance 1596 amending San Carlos Municipal Code Title 18 Zoning in response to, and for the implementation of, the 2023-2031 Housing Element Update; or
2. Do not adopt Ordinance 1596; or
3. Provide staff with alternative direction.

Respectfully submitted by:

Al Savay, Community Development Director

Approved for submission by:



Jeff Maltbie, City Manager

ATTACHMENTS:

1. Ordinance No 1596
Exhibit A to Ordinance No. 1596 – Zoning Amendments
Exhibit B to Ordinance No. 1596 – Zoning Map
2. Resolution No. 2023-010