



North Fair Oaks Community Council
San Mateo County Coordinated
Departmental Response



DATE: January 7, 2019
NFOCC MEETING DATE: January 17, 2019
VOTE REQUIRED: None

MEMO TO: Members, North Fair Oaks Community Council

FROM: San Mateo County Planning and Building Department

SUBJECT: Informational Item: 2821 El Camino Real & Senate Bill 35 Compliance

BACKGROUND

In 2017, California adopted a number of new laws in an attempt to address the statewide housing crisis. One of those laws, Senate Bill (SB) 35 (effective January 1, 2018) requires local jurisdictions that have not constructed the number of housing units prescribed by the Regional Housing Needs Allocation (RHNA) to streamline the review process and approve certain affordable housing projects, on a ministerial basis, subject to certain eligibility requirements. The purpose of SB 35 is to facilitate and expedite the approval and construction of affordable housing.

Palo Alto Housing, a local non-profit organization, has proposed a 4-story 67-unit affordable housing project that is subject to SB 35 permit streamlining. All 67 rental units, with the exception of the manager's unit, in the project will be affordable (to those earning up to 70% of the area median income (AMI)). The complex also features 52 parking spaces, secured bike parking, community spaces, and on-site services for residents. The project is located at 2821 El Camino Real (APN: 054-284-360; parcel size: 25,636 sq. ft.; Zoning: Commercial Mixed Use (CMU-1)).

Prior to the effective date of SB 35, the County held a pre-application community workshop regarding the project at the Fair Oaks Community Center (September 9, 2017). At that time, the project required discretionary approvals including a Use Permit (because it is completely residential in a mixed use zoning district), Off-Street Parking Exception, Site Development, and Grading Permits. SB 35 took effect after that meeting, and rendered the project exempt from these discretionary approvals. The project continues to be subject to the County's Building Regulations, and the applicant has submitted a building permit application (BLD2018-01934) in order to satisfy these requirements.

Since the project has met SB 35's eligibility requirements and must be considered ministerially, neither the Council, the Planning Commission, nor the Board of

Supervisors have a direct role in reviewing the project. Accordingly, this memo provides a courtesy notice to the Council of the forthcoming development project, and describes the project's compliance with SB 35 and the County's General Plan, Grading Ordinance, Zoning, and Parking Regulations below. Palo Alto Housing anticipates that construction of the project will begin in spring 2019.

Compliance with Senate Bill (SB) 35

SB 35 requires that housing projects be processed ministerially (i.e., without public hearings or discretionary review) if they:

1. Are located in jurisdictions that have not constructed the number of new housing units prescribed by their RHNA;
2. Will provide at least 50% of the proposed units at a level affordable to those earning 80% of the area's median income (AMI);
3. Are consistent with density requirements, and objective zoning and design review standards;
4. Do not involve a subdivision of land (unless certain additional criteria are met);
5. Satisfy certain construction labor requirements, depending on project size;
6. Are not located in the coastal zone and;
7. Are located in an urbanized area.

A majority of jurisdictions within California including San Mateo County have not constructed the number of new housing units identified in the 2015-2023 RHNA goals. The proposed Palo Alto Housing development meets all the SB 35 criteria. The project includes affordable housing for veterans and those earning up to 70% AMI, meets objective zoning and design review standards, does not require a subdivision, has certified that it will pay construction workers at least the prevailing wage, is not located in the coastal zone, and is located in an urbanized area.

Compliance with the General Plan/North Fair Oaks Community Plan

The proposed project complies with all applicable General Plan and North Fair Oaks Community Plan Policies, including, specifically, the Urban Land Use Policies.

Goal 6.1 (*Increase Affordable Housing*), Goal 6.6 (*Housing Availability and Accessibility*), Goal 6.7 (*Promote Transit-Accessible Housing*), and Goal 6.8 (*Housing for Homeless*) of the North Fair Oaks Community Plan seek to increase affordable housing options, create housing that is accessible to residents with disabilities, promote transit oriented housing, and provide housing and services for residents experiencing homelessness.

The project will provide a mix of studios and one-bedroom affordable housing units for disabled veterans, veterans experiencing chronic homelessness, and those earning up to 70% of the AMI. The project includes access to on-site services including job skills training, financial literacy, and health and wellness classes for the residents of the

building. Additionally, a SamTrans bus stop is located directly adjacent to the proposed building and will provide residents with accessible affordable transportation options. Rental units are deed restricted, will remain affordable at the specified levels for at least 55 years, and cannot be converted to market rate units within this time period.

Compliance with the Zoning Regulations

Development Standards

The project complies with the height, front, and side yard setbacks requirements of the CMU-1 Zoning District. Though the project does not comply with the District's maximum allowable density of 80 dwelling units per acre and minimum rear yard setback requirement of 15 feet, the project is not required to comply with such standards due to the State's Density Bonus Law and County's Density Bonus Program.

State law and County ordinances provide density bonuses to projects that include affordable housing units, allowing developers to build more units than would otherwise be permitted under the applicable zoning. The affordable nature of the proposed project qualifies it for density bonuses, which allows for a maximum density of 70 units (119 dwelling units/acre). The project, which proposes a density of 67 units (114 dwelling units/acre), falls under this limit.

To further encourage the development of affordable housing, the State's Density Bonus Law also grants affordable housing projects a certain number of waivers from local development standards. Under State law, the proposed project is eligible for three development waivers; however, the applicant has opted to use only two waivers (to address variances from setbacks and parking requirements). The proposed reduced rear yard setback of 10 feet 2 inches, where otherwise a 15 foot setback would be required, is permitted through the first waiver. The parking waiver is addressed below.

Parking Requirements

Typically, the Zoning Regulations would require this project to provide 67 parking spaces. However, under the State Density Bonus Law, local jurisdictions may not impose a parking ratio of more than 0.5 spaces per unit (i.e. 34 parking spaces for this project). With 52 proposed compact parking spaces, the applicant has provided more parking spaces than are required.

The applicant has chosen to use their second waiver to provide 100% compact parking spaces where otherwise only 25% of the parking spaces could be compact.

Design Standards

The project conforms to all objective CMU-1 design standards and Site Development Permit elements, including requirements to provide: (1) street trees along El Camino Real and Blenheim Avenue, (2) a 10-foot sidewalk on El Camino, (3) public bike parking, and (4) a primary façade and entrance facing El Camino Real.

Compliance with the Grading Regulations

The proposed project, which includes 354 cubic yards (c.y.) of grading (343 c.y. of cut and 11 c.y. of fill) is no longer subject to discretionary review due to SB 35. Though no discretionary grading permit is required, the project will not have a significant adverse effect on the environment, conforms to the criteria of the San Mateo County Grading Ordinance, and minimizes soil erosion and sedimentation.