

Special Joint Study Session of the City Council and Planning Commission

Tuesday, March 26, 2024 5:00 PM

Diamond Bar City Hall – Windmill Community Room
21810 Copley Drive, Diamond Bar, CA 91765

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The public can observe the meeting by calling +1 (914) 614-3221, Access Code: 240-278-789 OR visit: <https://attendee.gotowebinar.com/register/4069794349729372249>.

How to Submit Public Comment:

The public may provide public comment by attending the meeting in person, by sending an email, or by logging into the teleconference. Please send email public comments to the City Clerk at cityclerk@DiamondBarCA.gov by 4:00 p.m. on the day of the meeting and indicate in the Subject Line "FOR PUBLIC COMMENT." Written comments will be distributed to the Council Members and Commissioners, noted for the record at the meeting and posted on the City's official agenda webpage as soon as reasonably practicable (found here: <http://diamondbarca.iqm2.com/Citizens/Default.aspx>).

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<https://attendee.gotowebinar.com/register/4069794349729372249>. Members of the public will be called upon one at a time during the Public Comment portion of the agenda. Speakers are limited to five minutes per agenda item, unless the Mayor determines otherwise.

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CITY OF DIAMOND BAR
SPECIAL JOINT STUDY SESSION OF THE CITY COUNCIL
AND PLANNING COMMISSION

March 26, 2024

- 1. CALL TO ORDER** 5:00 p.m.
- 2. ROLL CALL** City Council: Andrew Chou, Ruth M. Low, Steve Tye, Mayor Pro Tem Chia Yu Teng, Mayor Stan Liu

Commissioners: Naila Barlas, William Rawlings, Raymond Wolfe, Vice Chair Mahendra Garg, Chair Ruben Torres

3. STUDY SESSION

- 3.1 LEGISLATIVE UPDATE: NEW LAND USE AND HOUSING LAWS FOR 2024

Recommended Actions:

Receive staff presentation; receive public comments; provide direction as appropriate.

4. ADJOURNMENT

Written materials distributed to the City Council within 72 hours of the City Council meeting are available for public inspection immediately upon distribution in the City Clerk's Office at 21810 Copley Dr., Diamond Bar, California, during normal business hours.



Agenda #: 3.1
Meeting Date: March 26, 2024

CITY COUNCIL STUDY SESSION REPORT

SCOPE AND PURPOSE:

This study session will provide a summary of the land use, housing and development laws passed by the State Legislature, most of which became effective at the beginning of 2024, that will likely affect Diamond Bar and the types of land use decisions the City will face.

Many of the new laws will require the City to amend its zoning regulations, and staff has tentatively scheduled a Planning Commission hearing for May 14, 2024 to consider the proposed amendments, followed by a City Council hearing as early as June 4, 2024. The primary goal of this presentation and discussion is to provide the Commission and Council with useful background information and context when each body considers the upcoming draft ordinances.

This report concludes with a summary of additional amendments that the Planning Commission and City Council will consider during the upcoming hearings to implement the Housing Programs established in the 2021-2029 Housing Element.

SUMMARY OF KEY ENVIRONMENTAL, LAND USE, HOUSING AND DEVELOPMENT LAWS:

- **Streamlined Ministerial Approval of For-Sale Housing Projects of up to 10 units (SB 684)**

SB 684 requires cities and counties to permit the development of up to 10 small single-family homes or condominiums on an existing parcel zoned for multifamily housing under specified circumstances, requires cities to ministerially review and approve a subdivision map and related land use entitlements for qualifying projects within 60 days, and permits developers to proceed with construction prior to final subdivision map approval. The bill's provisions do not take effect until July 1, 2024, to allow local agencies time to adopt implementing ordinances.

- **Housing Accountability Act Amendments (AB 1633)**

The Housing Accountability Act limits the authority of cities and counties to disapprove or reduce the density of proposed housing development projects that comply with *objective* development standards and policies or that are intended for very low-, low-, or moderate-income households. “Objective” standards are those that involve no personal or subjective judgement and are uniformly verifiable by reference to an external benchmark or criterion. Cities or counties found to have acted in violation of the Housing Accountability Act may be subject to certain enhanced remedies, including significant fines.

AB 1633 amends the Housing Accountability Act in two important ways. First, the bill makes a city or county’s application of the California Environmental Quality Act (CEQA) to improperly delay or effectively deny approval of a housing project a violation of the Housing Accountability Act. Second, the statute makes it more difficult for a third party that successfully challenges a city or county’s approval of a housing development project in court to recover its attorney’s fees from the city/county and/or the developer.

- **Amendments to SB 35 Streamlined Ministerial Approval Process (SB 423)**

In an effort to meet statewide affordable housing goals, SB 35 (2017) requires cities and counties to streamline the review and approval of certain qualifying affordable housing projects through a ministerial process, without CEQA review or public hearings. In addition, qualifying SB 35 projects are only subject to duly adopted objective design standards. Cities and counties that do not have objective design standards cannot deny affordable housing projects based on their architecture.

A sunset date of January 1, 2026 was written into SB 35. SB 423 extends this date by an additional ten years, and removes a number of constraints that were written into SB 35, including the elimination of a “skilled and trained workforce” requirement for projects that are less than 85 feet in height.

- **Affordable Housing on Faith and Higher Education Lands Act of 2023 (SB 4)**

SB 4 makes a 100% affordable housing project meeting specified criteria and proposed to be developed on land owned on or before January 1, 2024, by an independent institution of higher education or a religious institution a “use by right” that is subject to a streamlined ministerial approval process similar to the one applicable to SB 35 projects. Where the replacement of existing uses or new ancillary ground floor uses are proposed in conjunction with an affordable housing project, they are also subject to streamlined ministerial approval under SB 4’s provisions. Because qualifying projects must be reviewed ministerially, the California Environmental Quality Act (CEQA) does not apply to them.

- **Adaptive Reuse of Existing Buildings to 100% Affordable Housing (AB 1490)**

AB 1490 makes the adaptive reuse of an existing residential or hotel/motel building to 100% affordable units an allowable use, even if it is inconsistent with a city’s

general plan or zoning. To qualify, the following criteria must be met:

- All units must be lower-income; at least 50% must be very low-income.
- The residential units must be created within the existing building envelope; additional square footage cannot be constructed, and existing open space amenities cannot be removed.
- On-site management must be provided for projects with 50 or more units.

- **Density Bonus Law Amendments (AB 1287)**

AB 1287 amends the State Density Bonus Law (SDBL) in several ways. The SDBL requires cities to grant increased density, incentives or concessions, development standard waivers, and reduced parking ratios to applicants for housing development projects that agree to set aside a specified percentage of the units in the development for very low-, low-, or moderate-income households, seniors, or students. Notable changes to the SDBL made by AB 1287 include the following:

- Housing developers are incentivized to set aside even more very low- or moderate-income units by requiring cities to grant an additional density bonus if an applicant agrees to include at least 5% additional very low- or moderate-income units on top of the maximum number of affordable units that currently must be provided to achieve the greatest density bonus. A developer that takes full advantage of this new provision would potentially be eligible for a total combined density bonus of up to 100%.
- The bill grants developers additional incentives and concessions for projects that (i) include at least 16% of units for very low-income households, (ii) include at least 45% of units for moderate income households in a development in which the units are for sale, and (iii) 100 affordable projects located within one-half mile of a major transit stop.
- The bill also eliminates language from the SDBL that authorized cities to require applicants to provide justification of their requests for incentives, concessions, or waivers.

Program H-12 of the 2021-2029 Housing Element also requires the City to amend its density bonus regulations to conform to earlier SDBL legislation passed in 2020 (AB 2345). Staff is preparing a code amendment that will be in compliance with both AB 2345 and AB 1287 for the upcoming public hearings starting in May.

OTHER LEGISLATION OF NOTE:

- **Expansion of HCD Authority to Enforce Housing Laws Against Cities (AB 434)**

AB 434 adds several laws to the list of state housing laws set forth in Government Code Section 65585(j) that the California Department of Housing and Community Development (HCD) is required to enforce against cities and counties. Following adoption of AB 434, HCD now enforces laws addressing the following:

- The Housing Accountability Act (Gov't Code §65589.5)
 - The State Density Bonus Law (Gov't Code §65915)
 - The No Net Loss Law (Gov't Code §65863)
 - The Housing Crisis Act of 2019 (Gov't Code §§ 65941.1, 65943, and 66300))
 - Affirmatively Furthering Fair Housing (Gov't Code §8899.50)
 - SB 35 / Streamlined Ministerial Approval of Affordable Housing Projects (Gov't Code §65913.4)
 - Supportive Housing (Gov't Code §65650 *et. seq.*)
 - Low-Barrier Navigation Centers (Gov't Code §65660 *et. seq.*)
 - Housing development approvals for 3-10 unit housing projects in multifamily or mixed-use zones (Gov't Code §65913.11)
 - Administration of the General Plan (Gov't Code §65400)
 - Prohibition on enforcement of minimum parking requirements on projects located within one-half mile of public transit (Gov't Code §65863.2)
 - Affordable Housing and High Road Jobs Act of 2022 (Gov't Code §65912.100 *et. seq.*)
 - 5 hearing limit for housing projects (Govt. Code §65905.5)
 - ADUs and JADUs (Govt. Code §§ 65852.2, 65852.22, 65852.23, and 6685.26)
 - SB 9 2-Unit Developments and Urban Lot Splits (Govt. Code §§ 65852.21 and 66411.7)
 - SB 6 (Middle Class Housing Act of 2022) (Govt. Code §65852.24)
 - SB 4 (Affordable Housing on Faith and Higher Education Lands Act of 2023) (Govt. Code §65913.6)
 - AB 1218 (Demolition of housing units) (Govt. Code §§ 66300.5-66300.6)
 - SB 684 (Ministerial approval of housing projects with 10 units or less) (Govt. Code §§ 65852.28, 65913.4.5, and 66499.41)
- **Requirement to Provide Written Statement to Businesses About How to Comply with Disability Access Laws (SB 748)**

Existing law requires a city or county to provide an applicant for a business license with a short statement about the applicant's obligation to comply with disability access laws and an advisory that includes specified information and encourages the applicant to obtain a certified access specialist (CASp) inspection. SB 748 supplements these existing requirements by mandating that cities and counties also provide applicants with a separate document containing a more detailed statement describing the applicant's obligation to make its property and website compliant with state and federal disability law, encouraging the applicant to obtain a CASp inspection, and describing how the applicant can obtain additional information about how to comply with disability laws.

- **Proactive Inspections of Multi-unit Buildings (AB 548)**

AB 548 requires local agencies to develop policies and procedures by January 1, 2025 for inspecting multiple units in a building when an inspector or code enforcement officer determines that any unit in the building is substandard or in violation of state habitability standards. The bill also provides that, if, as a result of an inspection, it is determined that a substandard condition in a unit could reasonably affect other units, the building department must provide the building

owner with a notice or order to repair or abate within a reasonable time.

- **Special Motion to Strike Lawsuits Challenging Approval of Affordable Housing Projects (SB 439)**

SB 439 establishes a new procedure giving local agencies the opportunity to obtain dismissal of likely non-meritorious CEQA actions and other lawsuits challenging the approval or permitting of 100% affordable housing projects early in the litigation. Specifically, the bill creates a new special motion to strike a local agency can file within 60 days of being served with a lawsuit challenging a “priority housing development,” which stays discovery proceedings and may result in dismissal of the lawsuit and an award of attorney’s fees and costs if the plaintiff is unable to show a probability of prevailing on the claim.

CODE AMENDMENTS TO IMPLEMENT THE HOUSING ELEMENT:

The 2021-2029 Housing Element establishes 15 housing programs for the City to implement during the current planning period (Attachment 1), some of which require the amendments to the Development Code.

- **Program H-11 — Housing for Persons with Special Needs**

The City is currently processing a Development Code amendment to allow supportive housing and low barrier navigation centers consistent with State law and to replace or modify the CUP requirement to provide greater objectivity and development certainty for residential care facilities serving 7 or more persons in all residential zones.

- **Program H-12 — Affordable Housing Incentives/Density Bonus**

As discussed above in regards to AB 1287, staff is updating the City’s density bonus regulations to conform to State Law, as well as implement Program H-12 of the Housing Element.

- **Program H-15 — Reasonable Accommodation for Persons with Disabilities**

Program H-15 requires the City to process a Development Code amendment updating its reasonable accommodation procedures to “revise the criteria for approval of requests for reasonable accommodations to provide greater objectivity and certainty.” The forthcoming code amendments will include updated reasonable accommodation review and approval standards to meet this obligation.

Prepared by:

Greg Gubman

Greg Gubman, AICP
Community Development Director

Attachments:

1. 3.1.a Diamond Bar 2021-2029 Housing Element Housing Programs



HOUSING ELEMENT



HOUSING PROGRAMS

2021-2029

Adopted August 11, 2022

Resolution No. 2022-44

HOUSING PROGRAMS

Housing Element goals and policies are implemented through a series of housing programs described below. Pursuant to §65583 of the *Government Code*, a city's housing programs must address the following major areas:

- Conserve and improve the condition of the existing supply of affordable housing;
- Assist in the development of adequate housing to meet the needs of extremely-low, very-low, low, and moderate-income households;
- Provide adequate sites to accommodate the city's share of the regional housing need for households of each income level;
- Remove governmental constraints to the maintenance,

improvement, and development of housing, including housing for all income levels and housing for persons with disabilities;

- Promote the creation of accessory dwelling units that can be offered at affordable rents;
- Affirmatively furthering fair housing and promote equal housing opportunity
- Include a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element.

Diamond Bar's programs for addressing these requirements are described in this section.

Conserve and Improve the Condition of Existing Affordable Housing

Conserving and improving the condition of the housing stock is an important goal for Diamond Bar. Although the majority of the City's housing stock is in good condition, a significant portion of the housing stock is over 30 years old, the age when most homes begin to require major rehabilitation improvements. By identifying older residential neighbor-

hoods for potential housing rehabilitation, the City has taken a proactive approach to maintaining the quality of its current housing stock. The focus neighborhoods identified by this Plan as evidencing physical problem conditions can be specifically targeted for City housing improvement assistance.

Program H-1. Residential Neighborhood Improvement Program

The City implements a proactive Neighborhood Improvement Program and neighborhood inspections are conducted on a regular basis throughout the entire City. The checklist for residential violations includes inoperable vehicles, trash storage, parking on paved areas only, structure maintenance, landscape maintenance, and fence and wall maintenance. After the neighborhood inspection, letters are sent out to all property owners in areas where violations have been observed. A follow-up inspection will be conducted, at which time any noticed properties found to be in violation of the Municipal Code are subject to a \$100 citation.

When problems are observed, inspectors may refer residents to the Home Improvement Program (see Program H-2).

Eight-year objective: Continue to implement the code enforcement program, and direct eligible households to available rehabilitation assistance to correct code violations. Provide focused code enforcement and rehabilitation assistance for 5 to 6 households during the planning period in neighborhoods evidencing concentrations of deteriorating units.

Responsible agency: Community Development Department.

Timeline: Throughout the planning period.

Program H-2. Home Improvement Program

The City uses CDBG funds for minor home repair through the Home Improvement Program, where low/moderate income householders may receive up to a \$20,000 no interest, deferred loan for home repair and rehabilitation. The City promotes and coordinates this program by posting information, reviewing applications and disbursing grant funds to eligible applicants.

Eight-year objective: Minor repair and rehabilitation for 4 units annually.

Responsible agency: Community Development Department.

Timeline: Throughout the planning period.

Program H-3. Section 8 Rental Assistance Program

The Section 8 Rental Assistance Program extends rental subsidies to extremely-low- and very-low-income households who spend more than 30% of their gross income on housing. Rental assistance not only addresses housing affordability, but also overcrowding by assisting families that may be "doubling up" to afford rent. The Los Angeles County Development Authority (LACDA) coordinates Section 8 rental assistance on behalf of the City. The City will continue to provide rental assistance information and referrals to LACDA.

Eight-year objective: Continue to direct eligible households to the County Section 8 program.

Responsible agency: LACDA.

Timeline: Throughout the planning period.

Program H-4. Preservation of Assisted Housing

Diamond Bar contains only one assisted housing project, the 149-unit Seasons Apartments (formerly Heritage Park) for senior citizens. This project was constructed in 1988 and was originally financed under the Los Angeles County Multi-Family Mortgage Revenue Bond program. The project was

refinanced in November 1999 under the California Community Development Authority's Multi-Family Housing Re-funding Bond, and was transferred to the Corporate Fund for Housing, a non-profit organization. According to the terms of the new bond agreement, income restrictions for residents and corresponding rent limits were set. For the duration of the bond, which expires December 2, 2034, all units will be affordable: 30 units (20%) will be very-low-income, 82 units (55%) will be low-income, and 37 units will be moderate-income (defined as 100% AMI).

Eight-year objective: Preserve 100% of the 149 low- and moderate-income units in the Seasons Apartments.

Responsible agency: Community Development Department

Timeline: Throughout the planning period

Program H-5. Mobile Home Park Preservation

There are two mobile home parks in Diamond Bar, both located in the western portion of the City: Diamond Bar Estates and Walnut Creek Estates. These mobile home parks were developed before incorporation of the City on land previously designated as Industrial under the County's jurisdiction. The 2040 Diamond Bar General Plan Land Use Map designates both mobile home parks "residential" in order to preserve their status and prevent future inconsistencies. This designation in the General Plan works to preserve the parks since any proposed land use change would require an amendment to the City's General Plan and Zoning Ordinance, as well as adherence to State mobile home park closure requirements.

Eight-year objective: The City will continue to support preservation of its two mobile home parks as important affordable housing resources.

Responsible agency: Community Development Department

Timeline: Continuously throughout the planning period

Assist in the Development of Affordable Housing

To enable more households to attain homeownership in Diamond Bar, the City participates in two mortgage assistance programs: the Homebuyer Assistance Program and the Mortgage Credit Certificate (MCC). These programs are very important given that housing prices in Diamond Bar rank among the highest in eastern Los

Angeles County and northern Orange County. The City is also supportive of the development of senior housing to meet the needs of its growing senior population and multi-family rental housing for lower-income households, including working families and university students.

Program H-6. First-Time Homebuyer Assistance Programs

Los Angeles County offers a first-time homebuyer assistance program and Mortgage Credit Certificates. To be eligible, families must meet the specified income requirements and be able to pay a 1% down payment on their home. The City of Diamond Bar provides referral information to prospective buyers at the public counter and on the City website.

6.a Home Ownership Program (HOP)

The Los Angeles County Home Ownership Program (HOP) provides zero-interest loans with no repayment due until the home is sold, transferred, or refinanced. The loan is secured by a second trust deed and a promissory note. The home must be owner-occupied for the life of the loan.

6.b Mortgage Credit Certificate (MCC)

The Mortgage Credit Certificate (MCC) program is a federal program that allows qualified first-time homebuyers to take an annual credit against federal income taxes of up to 15% of the annual interest paid on the applicant's mortgage. This enables homebuyers to have more income available to qualify for a mortgage loan and make the monthly mortgage payments. The value of the MCC must be taken into consideration by the mortgage lender in underwriting the loan and may be used to adjust the borrower's federal income tax withholding. The MCC program has covenant restrictions to ensure the affordability of the participating homes for a period of 15 years. MCCs can be used in conjunction with the Home Ownership Program (HOP).

Eight-year objective: The City will advertise these programs and provide information to interested homebuyers annually on the City website, newsletters and through social media. In addition, the City will work with realtors to make them aware of these programs.

Responsible agency: Community Development Department

Timeline: Continuously with annual updates throughout the planning period

Program H-7. Senior and Workforce Housing Development

With a growing portion of the City's population 65 years of age and above, Diamond Bar will continue to need housing and services for seniors. Particularly those seniors 75 years and older will begin to require housing with a supportive service component.

In addition, occupations for which high housing costs make it difficult for working-age households to live in Diamond Bar include teachers, police and firefighters. Several colleges and universities are also located within commuting distance of Diamond Bar. The City will continue to coordinate

with these institutions to identify potential partnership opportunities for affordable faculty/staff housing.

The City will encourage the development of senior and workforce housing, including units affordable to very-low- and extremely-low-income persons as well as units with 3-4 bedrooms suitable for large families, if feasible, in several ways. First, the City will identify suitable sites for multi-family development in the Housing and Land Use Elements, including zoning to encourage and facilitate lower-cost housing options such as SROs. Second, the City will offer regulatory incentives, and/or direct financial assistance appropriate to the project when feasible. The following are among the types of incentives which may be provided:

- Priority application processing
- Fee waivers or deferrals
- Coordination with off-site infrastructure improvements
- Flexible development standards
- Density bonuses
- Annual outreach to solicit interest from affordable housing developers
- City support to developers in affordable housing funding applications.

It must be recognized that the City's ability to offer direct financial subsidies is limited. The City has no local source of housing assistance funds, and its CDBG revenue is only about \$232,000 per year currently (see Section 9.3 for further discussion of the City's financial resources). Given these financial limitations, the City's primary efforts to encourage and facilitate affordable housing production are through its land use regulations and staff support to interested developers in applying for grant funds, and cooperation with the Los Angeles County Development Authority (LACDA) on its assistance programs.

Pursuant to the City's Affordable Housing Incentives Ordinance, the City provides modified development standards, including parking reductions, for senior and affordable projects. A portion of the City's CDBG funds can be used to help finance senior and workforce housing projects. New housing developments in Diamond Bar may also be eligible for funding sources identified in Section 9.3, Resources and Opportunities. Typically, local assistance can serve as gap financing to bridge the difference between the total project cost and the equity investment plus debt.

Eight-year objective: The City will identify sites suitable for new senior and workforce housing and post information on the City website throughout the planning period regarding the City's interest in assisting in the development of senior and workforce housing, provide information on available regulatory and financial incentives, solicit interest from affordable housing developers annually and assist developers in applying for funds. The City will also collaborate with local colleges and universities to identify potential partnership opportunities for affordable housing. The City's quantified objectives for housing

production during the 2021-2029 planning period are described in Table 9-36.

Responsible agency: Community Development Department

Timeline: Annual outreach to affordable housing developers; throughout the planning period

Provide Adequate Sites to Accommodate the City's Share of Regional Housing Need

A major element in meeting the housing needs of all segments of the community is the provision of adequate sites for all types, sizes and prices of housing. The City's General Plan, Development Code and specific plans

describe where housing may be built, thereby affecting the availability of land for residential development. Specific housing sites are identified in Appendix B.

Program H-8. Land Use Element and Development Regulations

The City completed a comprehensive update to the General Plan in 2019. The Land Use Element of the General Plan, as discussed previously in Section 9.3, provides for a variety of housing types in Diamond Bar, with densities ranging up to 30 dwelling units per acre. In addition, the new General Plan established several "focus areas" where additional development and redevelopment are encouraged, including multi-family residential and mixed-use. As described in Appendix B, General Plan land use designations provide adequate capacity to accommodate the City's RHNA allocation at all income levels for the 2021-2029 period. The City is currently processing amendments to the Development Code to align development regulations with new General Plan land use designations. Zoning amendments for sites listed in Appendix B will accommodate 100 percent of the shortfall of sites necessary to accommodate the remaining housing need, including a minimum of 107.7 acres allowing densities of at least 30 units/acre with appropriate development standards to encourage maximum allowable densities. Zoning will comply with the following requirements pursuant to Government Code Sec. 65583.2(h).

- Permit owner-occupied and rental multifamily uses by right for developments in which 20 percent or more of the units are affordable to lower income households. By right means local government review must not require a conditional use permit, planned unit development permit, or other discretionary review or approval.
- Permit the development of at least 16 units per site.
- Require a minimum density of 20 units per acre; and
- Ensure a) at least 50 percent of the shortfall of low- and very low-income regional housing need can be accommodated on sites designated for exclusively residential uses, or b) if accommodating more than 50 percent of the low- and very low-income regional

housing need on sites designated for mixed-uses, all sites designated for mixed-uses must allow 100 percent residential use and require residential use to occupy at least 50 percent of the floor area in a mixed-use project.

As part of the Development Code update, residential and mixed-use parking requirements will be revised in conformance with General Plan policies described previously in Section 9.4 Constraints.

The Development Code update will also include revisions to streamline the review process, including SB 35 review procedures and objective standards to minimize constraints on housing supply and affordability, and all regulations and fees will continue to be posted on the City website and updated continuously in compliance with transparency requirements.

The City shall continue to comply with the “no net loss” provisions of Government Code §65863 through ongoing project-by-project evaluation to ensure that adequate sites are available to accommodate the City's RHNA share throughout the planning period. The City shall not reduce the allowable density of any site in its residential land inventory, nor approve a development project at a lower density than assumed in the Housing Element sites inventory, unless both of the following findings are made:

- a) The reduction is consistent with the adopted General Plan, including the Housing Element; and
- b) The remaining sites identified in the Housing Element are adequate to accommodate the City's remaining share of regional housing need pursuant to *Government Code* §65584.

If a reduction in residential density for any parcel would result in the remaining sites in the Housing Element land inventory not being adequate to accommodate the City's share of the regional housing need pursuant to §65584, the City may reduce the density on that parcel if findings are made identifying sufficient additional, adequate and available sites with an equal or greater residential density so that there is no net loss of residential unit capacity.

As part of the new specific plans for the Town Center, Neighborhood Mixed Use and Transit-Oriented Mixed Use focus areas the City will evaluate the feasibility of establishing affordability requirements in exchange for development incentives.

Development on any site listed in Appendix B that proposes to demolish existing housing units shall be subject to a policy requiring the replacement of affordable units as a condition of any development on the site pursuant to Government Code §65583.2(g)(3). Replacement requirements shall be consistent with those set forth in §65915(c)(3).

State law (Gov. Code, § 65589.7) requires water and sewer service providers to establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. The City will

immediately deliver the adopted housing element to water and sewer service providers with a cover memo describing the City's housing element, including the City's housing needs and regional housing need.

Eight-year objectives: Maintain adequate sites for housing development at all income levels in conformance with the RHNA and ensure compliance with No Net Loss requirements. Process Development Code amendments to provide adequate sites to accommodate the RHNA. Update all regulations and fees on the City website annually throughout the planning period. Notify water and sewer providers immediately upon adoption of the Housing Element.

Responsible agency: Community Development Department

Timeline: Development Code amendments by October 2024

Program H-9. Mixed Use Development

The 2040 General Plan encourages mixed-use development in three focus areas, which could provide housing close to transit and places of employment (see additional discussion in Appendix B). The City will encourage property owners and developers to pursue mixed-use development in these focus areas to accommodate a portion of the city's low- and moderate-income housing needs during this planning period. Mixed-use can also reduce vehicle trips, make more efficient use of land and parking areas, and facilitate energy conservation.

Incentives the City may offer to encourage and facilitate redevelopment in these areas include the following:

- Coordination with off-site infrastructure improvements)
- Flexible development standards
- Density bonuses
- Support to developers in seeking funding for affordable housing

Eight-year objective: The City will prepare a handout and marketing materials encouraging mixed-use development where appropriate and make it available to interested developers throughout the planning period.

Responsible agency: Community Development Department

Timeline: Publish handout with marketing materials within 6 months of Housing Element adoption and continuously thereafter

Program H-10. Accessory Dwelling Units

Accessory dwelling units (ADUs) provide an important source of affordable housing for seniors, young adults and other low- and moderate-income households. The City adopted an amendment to the Development Code in 2021 to incorporate recent changes to State ADU law, and will continue to

encourage ADU production through public information available at City Hall and on the City website.

Eight-year objective: Continue to encourage construction of ADUs through an informational handout available at City Hall and on the City website throughout the planning period.

Responsible agency: Community Development Department

Timeline: Publish ADU handout with marketing materials within 6 months of Housing Element adoption and continuously thereafter

Removing Governmental Constraints to Housing

Under current State law, the Housing Element must address, and where legally possible, remove governmental constraints affecting the maintenance, improvement, and development of housing. The following programs are designed to mitigate government constraints on residential development and facilitate the development of a variety of housing.

Program H-11. Housing for Persons with Special Needs

Senate Bill 2 of 2007 strengthened planning requirements for emergency shelters and transitional/supportive housing. The Development Code allows emergency shelters by-right in the Light Industry (I) zone in compliance with SB 2 and also allows transitional and supportive housing as a residential use subject to the same standards as other residential uses of the same type in the same zone.

In 2018 AB 2162 amended State law to require that supportive housing be a use by-right in zones where multi-family and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria.

AB 101 (2019) added the requirement that low barrier navigation centers meeting specified standards be allowed by-right in areas zoned for mixed use and in non-residential zones permitting multi-family uses pursuant to Government Code §65660 et seq.

The City is currently processing a Development Code amendment to allow supportive housing and low barrier navigation centers consistent with State law and to replace or modify the CUP requirement to provide greater objectivity and development certainty for residential care facilities serving 7 or more persons in all residential zones.

The City will also continue to work cooperatively with the Los Angeles Homeless Services Authority and the San Gabriel Valley Council of Governments in its efforts to develop a regional strategy for addressing homelessness.

Eight-year objectives:

1. Continue to facilitate emergency shelters and transitional/ supportive housing and continue participating with LAHSA and SGVCOG on efforts to address homelessness throughout the planning period.
2. Process an amendment to the Development Code by June 2023 to allow supportive housing, low barrier navigation centers and large residential care facilities consistent with State law.

Responsible agency: Community Development Department

Timeline: Development Code amendment by June 2023; support efforts to address homelessness throughout the planning period

Program H-12. Affordable Housing Incentives/Density Bonus

To facilitate the development of affordable housing, the City utilizes Affordable Housing Incentives/Density Bonus Provisions (Development Code Chapter 22.18). Incentives described in Chapter 22.18 apply to developments of five or more dwelling units. If a density bonus and/or other incentives cannot be accommodated on a parcel due to strict compliance with the provisions of the Development Code, the Council may waive or modify the development standards as necessary to accommodate bonus units and other incentives to which the development is entitled. AB 2345 of 2020 revised State Density Bonus Law to increase incentives for affordable housing. The City is currently processing an amendment to the Development Code in conformance with AB 2345.

Eight-year objective: The City will amend the Development Code in 2021 consistent with current Density Bonus Law and continue to encourage the production of affordable housing through the use of density bonus and other incentives.

Responsible agency: Community Development Department

Timeline: Development Code amendment in 2021/22

Program H-13. Efficient Project Processing

The City is committed to a streamlined development process and has adopted procedures to facilitate efficient permit processing. Prospective applicants are strongly encouraged to request a pre-application conference with the Community Development Department before formal submittal of an application. The purpose of this conference is to inform the applicant of City requirements as they apply to the proposed development project, review the procedures outlined in the Development Code, explore possible alternatives or modifications, and identify necessary technical studies or other supporting materials relating to the proposed development. This process helps to minimize the time required for project review by

identifying issues early in the process before extensive engineering and architectural design work has been done.

While the intent of the City's development review process is to ensure that new projects comply with policies and regulations, the time required for project review has the effect of adding to the overall cost of housing. For some housing projects, cities are limited to ministerial permit review based on objective standards in order to minimize processing time. As part of the comprehensive Development Code update (see also Program H-8) the City will implement improvements to development review procedures, such as through the use of objective standards and/or administrative review, in order to reduce processing time and increasing development certainty for housing development projects, particularly those that include units affordable to low- and moderate-income households.

Consistent with new transparency laws, zoning, development standards and fees will also be posted on the City website.

Eight-year objective: The City will continue to offer the pre-application conference and streamlined development processing, and periodically review departmental processing procedures to ensure efficient project processing. Zoning, development standards and fees will continue to be posted on the City website throughout the planning period.

Responsible agency: Community Development Department

Timeline: Post zoning, development standards and fees on the City website in FY 2021/22 and continuously thereafter; comprehensive Development Code update by October 2024.

Affirmatively Furthering Fair Housing and Equal Housing Opportunities

To adequately meet the housing needs of all segments of the community, the City promotes housing opportunities for all persons regardless of race, religion,

gender, family size, marital status, ancestry, national origin, color, age, or physical disability.

Program H-14. Affirmatively Furthering Fair Housing

As a participating city in the Los Angeles County CDBG program, Diamond Bar has access to the services of the Housing Rights Center for fair housing outreach, education, and counseling on housing discrimination complaints. The City will continue to advertise the fair housing program through placement of fair housing service brochures at the public counter, at the Senior Center, through the City's newsletter, and on the City website. Apartment owners and managers are provided with current information about fair housing issues, rights and responsibilities. The Apartment Association of Greater Los Angeles conducts seminars on State, Federal and local Fair Housing laws and compliance issues. Objectives, actions and schedule for this program are based upon the Fair Housing Assessment presented in Appendix D and are summarized in Table 9-35 below.

Program H-14a. Affirmatively Furthering Fair Housing – Housing Mobility

To improve housing mobility and new housing choices in areas throughout the City, a suite of actions will be employed and targeted outside of the Focus Areas, including targeting resources, outreach and other strategies in the eastern and southern portions of the City with an overall goal of 250 housing opportunities affordable to lower-income households in the planning period. Objectives, actions and schedule for this program are based upon the Fair Housing Assessment presented in Appendix D and are summarized in Table 9-35 below.

Program H-15. Reasonable Accommodation for Persons with Disabilities

State law requires cities to remove constraints or make reasonable accommodations for housing occupied by persons with disabilities. The City has adopted procedures for reviewing and approving requests for reasonable housing accommodations pursuant to State law. To ensure that these procedures do not inadvertently act as a constraint on persons with disabilities, the City will revise the criteria for approval of requests for reasonable accommodations to provide greater objectivity and certainty.

Eight-year objective: Revise reasonable accommodation procedures for persons with disabilities in compliance with State law in 2022.

Responsible agency: Community Development Department

Timeline: Code amendment in 2022