



City of Rialto

Legislation Text

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For City Council Meeting [July 13, 2021]

TO: Honorable Mayor and City Council

APPROVAL: Marcus Fuller, City Manager

FROM: Karen Peterson, Community Development Manager

Request City Council to Discuss the “Plan to House Our Rialto: 2021-2029 Housing Element Update” Presentation.

(ACTION)

BACKGROUND

The intent of this item is to provide background information, give an update on community engagement, and obtain policy direction regarding the City’s approach to meeting the City’s 2021-2029 RHNA allocation.

HOUSING ELEMENT REQUIREMENT

In compliance with State law and in support of housing production, jurisdictions, including the City of Rialto, are required to include a Housing Element in the General Plan. The purpose of the Housing Element Update is to adequately plan to meet anticipated housing needs of all incomes. As a policy plan, the Housing Element neither requires nor authorizes any housing units to be built. Instead, it identifies opportunities for for-profit and not-for-profit residential developers.

CERTIFICATION BY HOUSING AND COMMUNITY DEVELOPMENT (HCD)

As part of the update process, the Housing Element is submitted to the California State Department of Housing and Community Development (HCD) for review and determination of compliance. By statute Housing Elements are required to be updated on a regular cycle. At this time, Rialto’s Housing Element must be updated every four years. Provided that the City adopts the 6th Cycle Housing Element Update by October 15, 2021, the City may return to an eight-year schedule. The adoption process includes at least one Public Hearing by the Planning Commission and one public hearing by the City Council.

REGIONAL HOUSING NEEDS ASSESSMENT (RHNA)

The Plan to House Our Rialto will comply with State law and include goals, policies, objectives, and programs to preserve, improve, and promote the production of housing for all income levels. The plan will also address the City’s share of the Regional Housing Needs Assessment (RHNA) and demonstrate how it can be accommodated. Overall, the Southern California Association of Governments (SCAG) region must accommodate 1,341,827 total units, which have been allocated by SCAG to all the jurisdictions in the region. Rialto’s share is 8,252 dwelling units, which is more than three times the City’s 5th Cycle allocation of 2,715.

RHNA allocations are broken into income categories as shown in Table 1.

Table 1. 2021-2029 (6th Cycle) Regional Housing Needs Assessment Allocation by Income Level* for City of Rialto

Very-low income	Low income	Moderate Income	Above-moderate	Total
\$37,650	\$60,250	\$75,300	\$90,350	
2,212	1,203	1,368	3,469	8,252

* 2020 State Income Limits for 4-person households in San Bernardino County

COMMUNITY ENGAGEMENT AND CONTEXT

Public engagement is an important source of information to understand local housing conditions and potential approaches to meeting housing need. The engagement process initiated in March with the virtual Phase 1 Community Workshop

Major themes from the workshop include:

- Need for affordable housing
- Need for diverse housing options such as
 - Multi-generational housing
 - Large homes
 - Mixed use housing in commercial areas for young people
 - Homes for seniors and those who are disabled
- Visions of neighborhoods that are safe, equitable, revitalized, and with access to public amenities, transit, walking trails, and bike lanes
- A desire for programs to rehabilitate older homes and revitalize older areas such as the historic downtown

Other comments include a desire for environmentally friendly housing and good air quality as well as concerns about equity for BIPOC (black, indigenous, people of color) and transgender people when seeking a home.

ANALYSIS/DISCUSSION

The Plan to House Our Rialto team has completed a preliminary sites analysis following HCD's Site Inventory Guidebook. The results of the analysis are provided in this section. In short, the City has sufficient land zoned for residential to satisfy the RHNA allocation for moderate and above-moderate income dwelling units. However, the City does not have enough land zoned for residential to satisfy the RHNA allocation for the low- and very-low income categories.

Through this item, the project team seeks direction regarding where to accommodate residential uses at higher densities as required by HCD to accommodate low and very low income.

SITES ANALYSIS

To plan for the needs of current and future residents as anticipated by the City's RHNA, the Plan to House Our Rialto team has conducted a citywide analysis of sites for potential residential

development. That analysis took into consideration state requirements for sites by income ranges. As shown in Table 2, the City has ample existing sites, meaning parcels already zoned appropriately, to meet and exceed the RHNA allocation for moderate income and above-moderate income dwelling units.

Table 2. Estimated Residential Dwelling Unit Potential *Moderate Income and Above*

Vacant residentially zoned parcels	11,789
Non-vacant residential parcels with propens	5,265
Accessory Dwelling Units	53
Total	17,107
Allocation	4,837
Sites Surplus	12,270





However, the City does not have sufficient sites to meet state requirements for low income categories. The state requires that sites be zoned for residential at a minimum of 30 dwelling units per acre to accommodate the development of housing affordable to lower-income households. While height, bulk, and aesthetic character can vary significantly, a few examples in the 30-35 dwelling unit per acre range appear below.

As shown in Table 3, Rialto's existing residential dwelling unit potential in the very-low and low-income categories has a shortfall of 2,826 dwelling units.

Table 3. Estimated Residential Dwelling Unit Potential *Very-Low and Low Income*

Vacant residentially zoned parcels	289
Non-vacant residential parcels with propens	228
Accessory Dwelling Units	72
Total	589
Allocation	3,415
Dwelling Unit Shortfall	-2,826

OPPORTUNITY AREAS

To make up the 2,826 dwelling unit shortfall, the City must identify opportunities to upzone and/or rezone parcels. By upzoning, the City may increase the allowed density to 30 dwelling units per acre or more. By rezoning, the City may change a non-residential parcel to a residential parcel. For example, commercially zoned parcels may be changed to create opportunities for multiple family residential development.

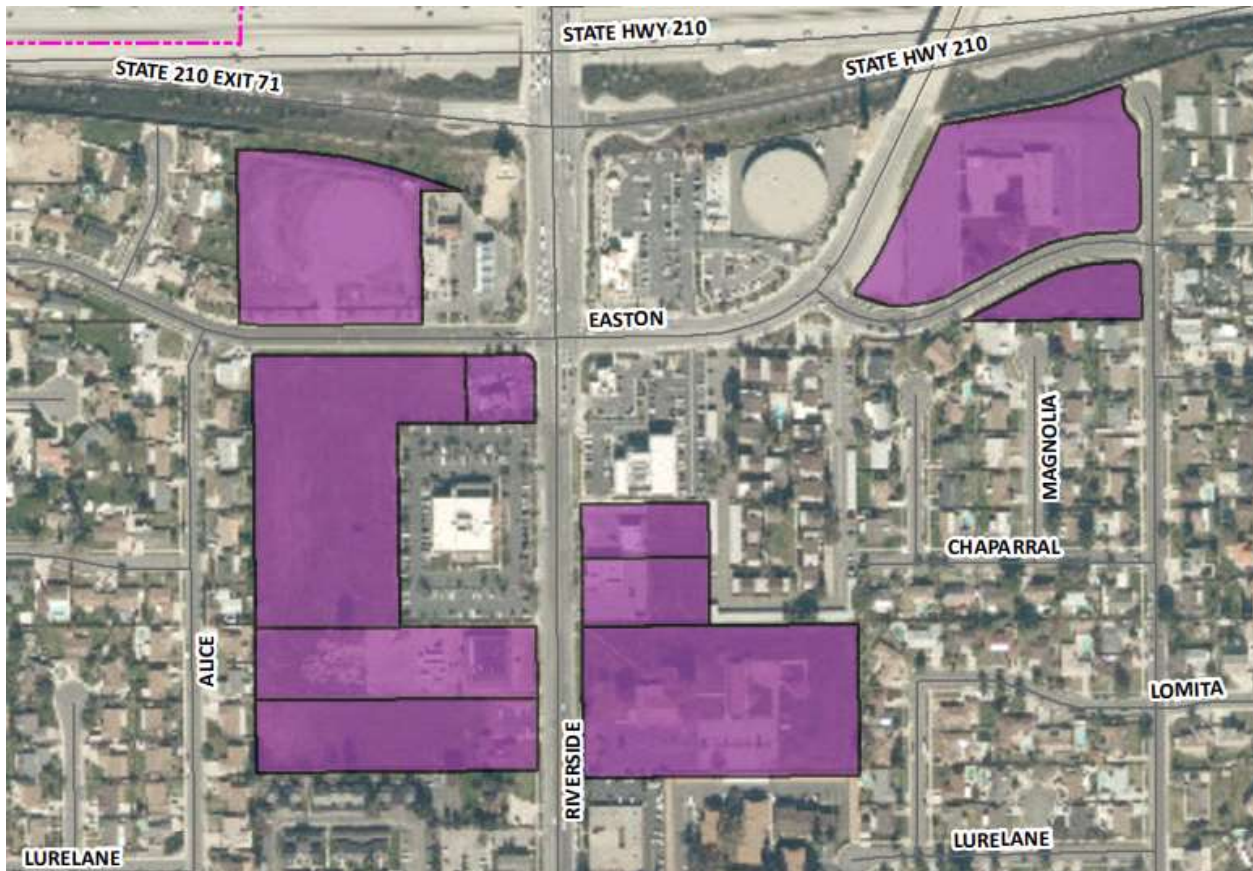
To identify potential opportunities, the Plan to House Our Rialto team conducted a citywide analysis of parcel characteristics including existing zoning, existing use (vacant/underutilized), lot size, proximity to transit, and surrounding development patterns. As a result of that analysis, five opportunity areas have been identified for further consideration. The five opportunity areas are listed in Table 4.

Table 4. Estimated Dwelling Unit Potential in Opportunity Areas Under Consideration	
1 - Foothill Boulevard	1,470
2 - North Riverside Avenue near 210 Freeway	678
3 - South Riverside Avenue (southeast of South Riverside Avenue)	570
4 - Rialto Marketplace II	251
5 - Central Area Specific Plan	184
Total	3,153

For each of the five opportunity areas, the City would need to implement Specific Plan or zoning code amendments. Those implementation activities are summarized as follows.

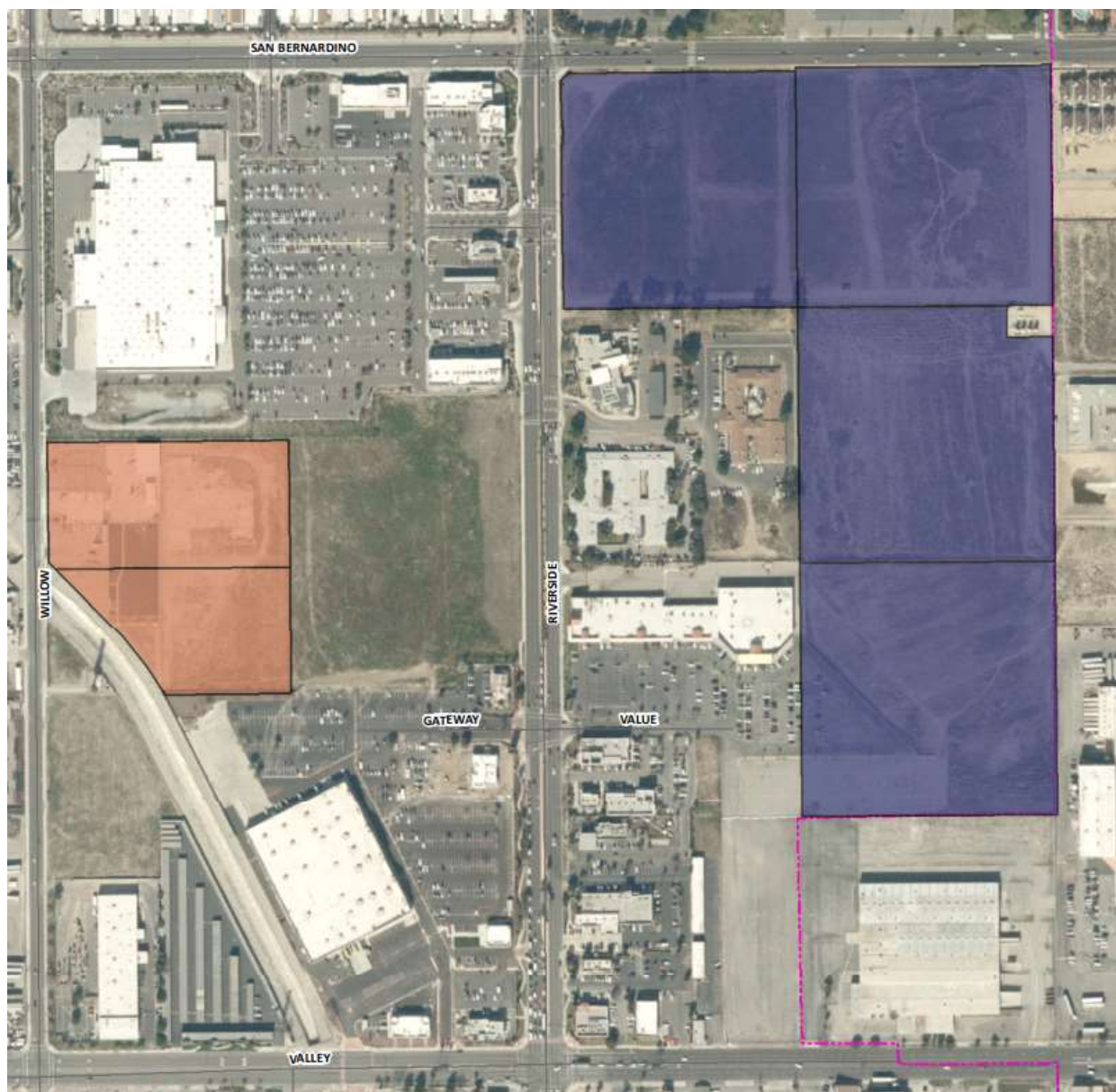
Opportunity Area 1 would require an amendment to the Foothill Boulevard Specific Plan. Currently, residential development is allowed in all land use districts. However, the allowed density varies with the project size. Currently, on projects over 3 acres, 30 dwelling units per acre are allowed. To meet state requirements and achieve more low- and very-low income dwelling units, the City would need to increase residential density for project sizes less than 3 acres.

Opportunity Area 2 - North Riverside Avenue



Opportunity Area 2 would require a change of zoning from C-1 Neighborhood Commercial Zone and A-P Administrative-Professional-Institutional Zone to R-4 High Density Multiple Family Zone.

Opportunity Area 3 and 4 - South Riverside Avenue and Rialto Marketplace II



Opportunity Area 3 and 4 would require an update to the Gateway Specific Plan. Opportunity Area 3 is in the vicinity of the Grace Vargas Senior Center and Rialto Assisted Living and Opportunity Area 4 is a portion of the Rialto Marketplace II development. Currently, the opportunity areas are identified as Retail Commercial (R-C), Office Park (O-P), and Industrial Park (I-P). Through a Specific Plan Amendment, the City would establish a new land use category and accompanying development standards.

Opportunity Area 5 - Central Area

Opportunity Area 5 would require an amendment to the Central Area Specific Plan to change several parcels from Core Commercial, Office Services, Support Facilities, and Cottage Commercial to Increased Density Residential.



NO NET LOSS

The City should consider identifying an excess of opportunity sites due to SB 166, which requires no net loss. SB 166 is intended to ensure development opportunities remain available throughout the planning period to accommodate a jurisdiction's RHNA. As a result of SB 166, if the City approves development of a parcel identified in the Housing Element sites inventory with fewer units than shown in the Housing Element, it must either make findings that the Housing Element's remaining sites have sufficient capacity to accommodate the remaining unmet RHNA by income level or identify and make available sufficient sites to accommodate the remaining unmet RHNA for each income category.

NEXT STEPS

The next steps in the development of the Plan to House Our Rialto includes continued analysis of opportunity sites and public engagement. During July, the Plan to House Our Rialto team will complete the site inventory and identification and draft the Housing Plan. The draft plan will be available for review during the month of August. A Public Hearing on the draft is planned for the Planning Commission September and a Public Hearing on the draft plan is planned for the City Council on October 12.

Phase 2 Community Survey and Interactive Mapping

The Phase 2 Community Survey opened on June 14 and is currently live. The survey includes questions about housing type, location, and policy priorities.

As requested by City Council and public stakeholders, the Plan to House Our Rialto team is preparing an interactive map to illustrate candidate sites and receive comments from the public.

Phase 3 Community Workshop

The Phase 3 Community Workshop is scheduled for July 15, 2021. The meeting will include a report on public input to date, an introduction to the Plan to House Our Rialto, and a demonstration of the interactive map.

GENERAL PLAN CONSISTENCY

The Housing Element and its implementation plan are a required component of the General Plan. This activity is consistent with Goal 6-2, which is to “promote and encourage housing development that adequately meets the needs of all socioeconomic segments of the community and region.”

RECOMMENDATION

Staff recommends that the City Council receive and file this report and provide direction to staff regarding the five opportunity areas which may be used to meet the state’s RHNA allocation for low-income categories.