



MEMORANDUM

DATE: March 15, 2022

TO: Housing Advisory Committee

FROM: Pierce Macdonald, Senior Planner

SUBJECT: Informational Report on Objective Design Standards for Multifamily and Mixed-use Development

AGENDA ITEM NUMBER 3

RECOMMENDATION:

None. This report is informational. Comments from Committee Members and the public on this agenda item are welcomed and encouraged.

EXECUTIVE SUMMARY:

Objective design standards are intended to streamline the review of new apartment buildings by eliminating standards that involve subjective review and by providing developers clarity regarding the form and design of what is permissible. The Piedmont Design Guidelines and zoning regulations requiring conditional use permits (CUPs) for mixed-use multifamily apartment buildings are no longer permitted by California law because they are subjective. The City of Piedmont must develop new objective design standards to comply with California law. To accompany this informational report, Lisa Wise Consulting (LWC) will provide a slideshow presentation of takeaways from the October 21, 2021 virtual Community Workshop on New Housing Programs, as well as takeaways from public comment received after the Workshop. Assembly Bill 83 (AB 83) has extended the deadline for completion of the new housing programs work until September 2023. This provides an opportunity to better integrate the new draft Piedmont Objective Design Standards with new Housing Element programs, including potential zoning ordinance amendments. The draft Objective Design Standards are tentatively scheduled for Planning Commission review at a public hearing on April 11, 2022.

BACKGROUND:

The development of new fair housing programs has reached the following milestones:

In March 2021, the City launched the Fair Housing Community Survey and an online, interactive pinnable map tool, hosted on the Social Pinpoint app. Response to the survey was robust, consisting of 877 survey participants and 90 visitors to the map. Also in March, the City launched a Piedmont fair housing website at <https://Piedmontishome.org>. Public engagement with Piedmont residents, property owners, business owners and workers has encouraged participation in development of new objective design standards.

On May 19, 2021, LWC and City staff presented the results of community engagement completed since November 2020 and what had been learned about community values and priorities.

Importantly for this staff report discussion, LWC presented the results of the design preferences in the Fair Housing Community Survey and what the results tell us about community values and the development of new objective design standards for multifamily apartment buildings. The meeting on May 19, 2021, included an interactive “charrette” or polling exercise about architectural design to help members of the public think about design elements, residential densities (expressed in du/ac or dwelling units per acre), and architectural styles.

At the Housing Advisory Committee meeting on June 15, 2021, City staff and Lisa Wise Consulting (LWC) presented information on the implementation of the current 2015 Housing Element goals related to architectural design and a proposed approach to developing objective design standards specific to Piedmont. The presentation included results of stakeholder interviews and the Fair Housing Community Survey.

At this meeting, the Housing Advisory Committee also recommended City Council approval of a set of guiding principles for new housing programs.

On June 21, 2021, the Piedmont City Council adopted guiding principles for the new fair housing programs at a regular meeting of the Council. The guiding principles are, as follows.

1. Support equitable distribution of affordable units across the City. A diversity of housing choices, including new affordable multi-family housing, new mixed-income multi-family housing, new residential mixed-use development, converted units, ADUs, and Junior ADUs, should be considered throughout the City’s neighborhoods, corridors, and zoning districts.
2. Promote and enhance community design and neighborhoods. Infill development should be compatible with the neighborhood context. Development and design standards should ensure that new construction enhances the area in terms of building scale, placement, and design; and is sensitive to impacts on the neighborhood, including impacts related to sunlight access, privacy, and roadway access. Each building must exhibit high-quality design and play a role in creating a better whole.
3. Remove barriers to development and access to housing through clear and objective standards. Development standards and procedures should guide development that is equitable and feasible and that lead applicants through procedures that are transparent and predictable.
4. Facilitate the development of new housing units through strategic partnerships between the City and the broader community. Partnerships to facilitate development include striving to reach community consensus for desired designs; and achieving community support for new incentives, standards, and tools to meet housing goals.
5. Social equity. Work with the Community to proactively facilitate greater social equity by considering City incentives and programs that will enable new homes and apartments for a range of income levels, creating opportunities for all persons regardless of race, religion, ethnic background, or financial ability.

On September 29, 2021, the Housing Advisory Committee and Planning Commission held a joint meeting to learn about the Piedmont Housing Element update process, the history of fair housing law, and statutory requirements for fair housing.

On October 21, 2021, City staff, LWC, and Openscope Studio hosted a virtual Community Workshop on New Housing Programs for Piedmont, including new objective design standards for

multifamily and mixed-use housing and new ADU incentives. Approximately 50 people participated. Opportunities for public comment were provided both during the workshop, in small group break-out sessions, and afterwards via email and mail. The public comment period ended on November 19, 2021, but comments received after this date were also compiled and considered. All public comment made during the workshop and received after the workshop are included in this staff report as Attachment B to the staff report for Agenda Item 2.

ANALYSIS:

This staff report will address:

- Proposed revisions to the draft Piedmont Objective Design Standards
- Response to public comments
- What is being asked of the HAC
- Next steps

California law requiring the objective design standards took effect on January 1, 2020. *Objective design standard* is defined in California law as “a design standard that involves no personal or subjective judgement by a public official and is uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal of a development application.”

Purpose of this Report

This report, augmented by the accompanying March 15, 2022, slideshow, presents information on objective design standards for multifamily and mixed-use apartments. The draft Piedmont Objective Design Standards are available as Attachment B to this report. Staff seeks comments from Committee Members and the public, including those about the following:

- Amendments to the Piedmont Objective Design Standards timeline
- Proposed revisions to the draft Piedmont Objective Design Standards
- Potential recommendations to study future Housing Element programs and zoning ordinance amendments for multifamily and mixed-use housing
- Public comments and suggestions

Project Timeline

In 2020, the City sought and received \$160,000 from the SB 2 grant program to develop programs and regulations that facilitate the production of affordable housing. The grant deadline to develop objective design standards described in this report was June 2022. However, a new law, Assembly Bill 83 (2020), has extended the deadline for SB 2 planning projects. SB 2 requests for reimbursements are now required to be submitted to HCD by September 2023, and SB 2 grant projects must be completed by December 31, 2023.

Goals and Benefits of Objective Design Standards

Piedmont’s Design Guidelines and Design Review Ordinance ensure that construction enhances neighboring residences, that designs are consistent with the General Plan, that sunlight, views, and privacy are preserved, and that vehicle and pedestrian safety are protected. A conditional use permit (CUP) is required to construct multifamily apartments above a ground floor commercial

space as part of a mixed-use development in zone D (commercial and mixed-use). CUP applications are reviewed by the Planning Commission, which makes a recommendation to the City Council, which is the decision-making body.

Under current City regulations, the housing development application described above, as well as any application to construct multifamily housing in zone C, requires a design review permit, another subjective process. Under California laws including SB 330 and SB 35, the CUP requirement, Design Guidelines and Design Review Ordinance procedures and standards are subjective and can no longer apply to multifamily apartment buildings. Accordingly, staff, with the assistance with LWC, has developed draft Piedmont Objective Design Standards for public review and comment prior to their consideration by the Planning Commission and City Council.

The goals and benefits of new objective design standards are the following:

- compliance with California law
- streamline the review of new multifamily and mixed-use apartment buildings
- clarity about development standards for both project developers and Piedmont residents
- promote the guiding principles approved by the City Council on June 21, 2021

Public Comment Informs Objective Design Standards

Public comments about community values, design elements, and architectural styles will directly inform the preparation of new Piedmont Objective Design Standards. Since the close of public comment on November 19, 2021, City staff and LWC have developed recommendations and potential revisions to the draft Piedmont Objective Design Standards. With Housing Advisory Committee feedback, these revisions will be incorporated into the final draft Piedmont Objective Design Standards for review by the Planning Commission. Once recommended for adoption by the Planning Commission, the draft Objective Design Standards will be scheduled for public hearing before the Piedmont Council, tentatively scheduled for May 2022. The final draft Piedmont Objective Design Standards will be made available for public review and comment for a minimum of 30 days. All public comment made during the October 21, 2021, workshop and received after the workshop are included in this staff report as Attachment B to the staff report for Agenda Item 2.

CONFORMANCE WITH GENERAL PLAN:

Work to develop new objective design standards is consistent with the goals, policies, and actions of the 2015-2023 Housing Element of the Piedmont General Plan, including the following:

Goal 1: New housing construction – provide a range of new housing options in Piedmont to meet the needs of all household types in the community.

Goal 3: Affordable Housing Opportunities – Create additional housing opportunities for moderate, low, and very low income Piedmont residents.

Policy 1.7: Housing in commercial districts – Ensure that local zoning regulations accommodate multi-family residential uses on commercial properties in the City, including the addition of apartment to existing commercial buildings.

Action 1.E.: Allowing multi-family housing and mixed-use in in the Commercial Zone – Amend the Piedmont Zoning Ordinance to add multiple family housing and mixed-use development to the list of conditionally permitted uses in the Commercial Zone (Zone D).

Action 1.G: Facilitating multi-family development – Develop incentives which would facilitate multi-family development on land zone for multi-family or commercial uses in Piedmont, including modifications to lot coverage requirements for multi-family uses in Zones C and D, and modifications to permitted and conditionally permitted use requirements for Zones C and D. The City will also consider potential ways to streamline environmental review in the event future multi-family uses are proposed in these areas.

Action 2.E: Streamlining design review – Conduct a Planning Commission study session to identify steps that might be taken to expedite and improve the design review process. Following this session, develop amendments to the Design Review process consistent with Action 28.C of the General Plan (Design and Preservation Element).

CONCLUSION:

The draft Piedmont Objective Design Standards document is nearing completion. The extension of the deadline for completion of the new housing programs pursuant to AB 83 (2020) affords an opportunity to include some new objective design standards as new Housing Element programs. The City will move forward with these new Housing Element programs, as well as the portions of the draft Piedmont Objective Design Standards document that do not require new Housing Element programs or zoning ordinance amendments. City staff is seeking Housing Advisory Committee feedback as the Piedmont Objective Design Standards are prepared for Planning Commission review.

ATTACHMENTS:

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| A | Pages 6 to 7 | General Plan Housing Element Goals, Policies, and Actions, related to the scope of work funded by SB 2 planning grant program |
| B | <i>Online</i> | City of Piedmont Draft New Housing Programs, including the draft Piedmont Objective Design Standards, are available at the following link:
https://www.piedmontishome.org/event/community-event-piedmont-is-home-housing-programs |

Attachment A

General Plan Housing Element Goals, Policies, and Actions

The SB 2 Planning Grants Program application prepared by staff is consistent with the following General Plan Housing Element goals, policies, and actions:

Goal 1: New housing construction – provide a range of new housing options in Piedmont to meet the needs of all household types in the community.

Policy 1.2: Housing diversity – Continue to maintain planning, zoning, and building regulations that accommodate the development of housing for all income levels.

Policy 1.4: Context-appropriate programs – Participate in those state and federal housing assistance programs that are most appropriate to Piedmont’s character and that recognize the unique nature of affordable housing opportunities in the City.

Policy 1.5 – Second units – Continue to allow second units (in-law apartments) “by right” in all residential zones within the City, subject to dimensional and size requirements, parking standards, and an owner-occupancy requirements for either the primary or secondary unit. Local standards for second units may address neighborhood compatibility, public safety, and other issues but should not be so onerous as to preclude the development of additional units.

Policy 1.6: Second units in new or expanded homes – Strongly encourage the inclusion of second units when new homes are built and when existing homes are expanded.

Policy 1.7: Housing in commercial districts – Ensure that local zoning regulations accommodate multi-family residential uses on commercial properties in the City, including the addition of apartment to existing commercial buildings.

Policy 1.10: Intergovernmental coordination – Coordinate local housing efforts with the California Department of Housing and Community Development, the County of Alameda, and adjacent cities. Where City-sponsored housing programs are infeasible due to limited local resources, explore the feasibility of participating in programs initiated by other jurisdictions.

Action 1.C: Market-rate second unit production – Maintain zoning regulations that support the development of market-rate second units in Piedmont neighborhoods.

Action 1.E.: Allowing multi-family housing and mixed-use in in the Commercial Zone – Amend the Piedmont Zoning Ordinance to add multiple family housing and mixed-use development to the list of conditionally permitted uses in the Commercial Zone (Zone D).

Action 1.G: Facilitating multi-family development – Develop incentives which would facilitate multi-family development on land zone for multi-family or commercial uses in Piedmont, including modifications to lot coverage requirements for multi-family uses in Zones C and D, and modifications to permitted and conditionally permitted use requirements for Zones C and D. The City will also consider potential ways to streamline environmental review in the event future multi-family uses are proposed in these areas.

Action 2.E: Streamlining design review – Conduct a Planning Commission study session to identify steps that might be taken to expedite and improve the design review process.

Following this session, develop amendments to the Design Review process consistent with Action 28.C of the General Plan (Design and Preservation Element).

Action 2.F: Update Design Review Guidelines – Update the 1988 City of Piedmont Residential Design Guidelines consistent with Action 28.E of the Piedmont General Plan.

Goal 7: Equal access to housing – Ensure that all persons have equal access to housing opportunities in Piedmont.

Policy 7.1: Housing choice – Promote the development of housing for all persons regardless of race, religion, ethnic background, or other arbitrary factors.

Policy 7.3: Fair housing enforcement – Implement and enforce relevant State and federal fair housing laws.

Action 5.A: Shared housing program – Consider participating in ECHO Housing’s shared housing program as a way to improve housing opportunities for lower income seniors and extremely low income households.

Action 5.C: Assistance to non-profit developers – Provide assistance to non-profit entities interested in developing housing for low and moderate income Piedmont residents, including elderly and others with special needs.

Action 5.H: Faith Community participation – Work with local faith community to serve residents in need within Piedmont and the greater East Bay, and to identify potential partners for meeting local extremely low income housing needs.

Action 5.I: Second units for extremely-low income households – Maintain an inventory of second units that are available at rents that are affordable to extremely low income households. Explore ways to expand this inventory and encourage the development of additional extremely low income second units through the City’s affordable second unit program and other means.

Action 5.J: Housing for extremely low income families – Develop incentives to meet the needs of Piedmont’s extremely low income households potentially including modified development standards for new multi-family buildings that include units for extremely low income families.