
DATE: FEBRUARY 15, 2024

STAFF REPORT

AGENDA ITEM NO. 6.2

TO: FOSTER CITY PLANNING COMMISSION

PREPARED BY: HELEN GANNON, ASSOCIATE PLANNER

PROJECT: GENERAL PLAN ANNUAL PROGRESS REPORT AND
HOUSING ELEMENT ANNUAL PROGRESS REPORT FOR 2023

REQUESTED ACTION/PURPOSE

To review and recommend City Council acceptance of the General Plan Annual Progress Report (APR) and Housing Element APR for 2023.

RECOMMENDATION

That the Planning Commission adopt the attached Resolution recommending City Council acceptance of the General Plan APR and Housing Element APR for 2023 and find the report exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guideline section 15061(b)(3).

BACKGROUND

[California Government Code 65400](#) requires that after the legislative body (City Council) has adopted all or part of a General Plan, the planning agency (Planning Commission) shall review an annual report on the status of the [General Plan](#) progress and its implementation and provide the report to the legislative body. The APR is then forwarded to the California Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD) by April 1 of each year. The Government Code also includes specific requirements for information about the status of [Housing Element](#) programs and progress in meeting its share of the Regional Housing Need Allocations (RHNA) issued by the Association of Bay Area Governments (ABAG).

ANALYSIS

All cities in California are required to prepare and adopt a General Plan. The General Plan identifies policies and programs addressing the development and redevelopment of land, preservation of parks and open spaces, provision of housing for current and future residents, conservation of natural resources, improvement of the circulation and transportation system, control of noise and protection of life and property from hazards.

The purpose of the APR is to provide local legislative bodies (Planning Commission and City Council) and the public with information regarding the implementation of the General Plan for their city or county, including the Housing Element. APRs also inform the public of the progress in meeting the community's goals. APRs must be presented to the local legislative body for its

review and acceptance. Pursuant to Government Code Section 65400(a)(2)(B)(ii), the housing element portion of the report shall be considered at a public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments. The APR should provide enough information for decision makers to assess how the General Plan was implemented during the 12-month reporting period. More specifically, APRs should explain how land use decisions relate to adopted goals, policies, and implementation measures of the General Plan.

As discussed above, the Housing Element APR is due to HCD by April 1 of each year. This year's APR evaluates the status of the implementation programs and housing production for the time period between January 1, 2023 and December 31, 2023.

The attached Table (see Attachment 2) comprises the General Plan APR and provides a brief summary of the status of the General Plan and the implementation programs contained in each General Plan Element. The status of the Housing Element implementation is part of the General Plan Annual Report reported in the table format required by HCD.

Highlights of accomplishments in the implementation of General Plan programs in 2023 are included below with the corresponding references to the General Plan Element Implementation Program:

- Land Use & Circulation Element

In 2023, the City launched a number of initiatives to address land use & circulation.

- Periodic Monitoring of Land Uses Throughout the City - In 2023, the Planning Commission approved a new Research and Development building at 331 Lakeside Drive. Furthermore, in 2023, staff continued work on the Lantern Cove proposal, a project proposing 420 new units (356 net new units) at 244 Rock Harbor Lane. (LUC-C-12-a)
- Re-evaluate parking requirements in the Zoning Ordinance – On [December 18, 2023](#), the City Council approved amendments to the Municipal Code to reduce guest parking requirements by 50% to ensure that they do not unnecessarily increase the cost of developments or promote a surplus of parking. (LUC-G-1-a)
- Green Building Guidelines and Incentives – In 2023, the City established “Express Plan Review” for all Solar and Electric Charging permits. A total of 148 solar permits and 30 EV Charging electrical permits were issued and a total of 12 solar rebates were issued in 2023. (LUC-H-1-a)
- Climate Action Plan (CAP) – After extensive community outreach and input, the Draft 2023 Foster City Climate Action Plan Update was completed in November 2023. Staff gave a presentation on the Draft CAP to the Citizens Sustainability Advisory Committee on January 10, 2024. The five-year plan includes measures and actions to help reach a 49% decrease in Greenhouse Gas (GHG) emissions below 2005 levels. (LUC-H-2-a)
- Wastewater Systems Improvement – Foster City is working with the City of San Mateo to construct improvements at the jointly owned wastewater treatment plant (WWTP). Startup and commissioning of new treatment facilities are targeted to be completed by summer 2024, followed by retrofit of existing facilities and commissioning of the integrated WWTP by the end 2024. (LUC-L-13-a).

- Parks and Open Space Element

- Special Events – In 2023, the City hosted its traditional events including Fourth of July Celebration, Summer Concert Series, and Halloween Festival. Summer Days also returned for a three-day festival featuring carnival rides, music, food trucks, and a car show. (PC-y).
- Parks Facilities Plan and Improve Facilities – The City Council approved a contract with Group 4 Architecture to help lead the effort to rebuild the Foster City Recreation Center. A Planning Commissioner was selected for the Joint Parks and Recreation/Planning Commission Committee and full design discussion began the first quarter of 2023. At the regular City Council meeting on [May 15, 2023](#), City Council confirmed the preferred conceptual two-story building design and in September 2023, the schematic design was approved. On [November 16, 2023](#), the Planning Commission adopted a Mitigated Negative Declaration (MND) and approved the Use Permit Modification for construction of an approximately 40,000 square foot Recreation Center. Staff developed a Request for Proposals (RFP) for the Park Master Plan project consultant that was approved by the City Council at their [December 18, 2023](#) regular meeting. The RFP is expected to be published in January 2024 with a consultant hired by May 2024. (LUC-L-5-a & PC-d)
- Source Reduction and Recycling Element – In 2023, the City continued to implement source reduction and recycling activities and programs in accordance with State regulations. The City meets current state established targets for waste reduction and diversion (C-t).
 - The City partnered with Recology and RethinkWaste to provide a robust education and outreach campaign to all customers and especially customers who were not in compliance with new cart requirements, regarding new organics recycling requirements of SB 1383.

- Local Hazard Mitigation Plan & Safety Element

- Safety Element Update – On August 21, 2023, City Council adopted the updated 2023 Safety Element.
- Levee Protection Planning and Improvements – In 2023, the contractor for the Levee Protection Planning and Improvements Project (awarded in 2020) achieved the following milestones:
 - Phase 1 Milestone (Port Royal Avenue to Shorebird Park): Access Restored Late March 2023
 - Phase 2 Milestone (Shorebird Park to San Mateo Bridge): Access Restored Mid-July 2023
 - Phase 3 Milestone (North of San Mateo Bridge): Access Restored Mid-October 2023

Construction is anticipated to be fully completed by February 2024. The Levee Project is designed to be resilient to the year 2050-2080. (S-A-2-a)

- Crime Prevention/Education – In 2023, the Police Department (PD) continued to provide a variety of crime prevention programs to educate and involve the community (S-D-4-a).
 - Social Media - In 2023, social media was used to provide crime alerts, crime

prevention tips, traffic information and safety tips to the Foster City community. Residential and Commercial Crime Prevention Through Environmental Design (CPTED) surveys were conducted.

- Coffee with a Cop forum was held on April 25, 2023.
- National Night Out was celebrated August 1, 2023, to build relationships with the Foster City community.
- Open House was held on October 7, 2023. Scheduled tours of the communication center, booths setup to allow people to try on SWAT gear, and officers allowing members of the public to sit in a patrol vehicles/motorcycles are provided at the Open House in order to give transparent information to the public regarding different functions of the Police Department.
- Foster City Civics Academy – PD presented at the Foster City Civics Academy on October 11, 2023. PD provided an overview of the Department, the services provided, and gave a tour of the Police Station.
- In 2023, Drake, the Service Dog, attended 51 events where he provided a comforting and calming presence to people in need, greeted citizens, and strengthened bonds, relationships, and trust.
- Housing Element – Housing Element 2023-31 was adopted by the City Council on May 22, 2023. The City received notification from the Department of Housing and Community Development (HCD) on February 2, 2024 that the proposed revisions to the Housing Element meet the statutory requirements of State Housing Element Law. The proposed revisions to the Housing Element will be considered by the Planning Commission and City Council in the next few weeks.
 - General Plan and Zoning Amendments to Facilitate Housing on Housing Opportunity Sites in the Sites Inventory – In 2023, the City undertook several rezonings of the sites included in the Sites Inventory to provide capacity to meet the City's RHNA. (H-D-1-b)
 - Reclassify the 15.1-acre lands at Harbor Cove Apartments (900 Hillsdale Boulevard, APN: 094-470-420) to change the Zoning Map Designation from R-3, Medium Density Multiple-Family Residence to R-4/PD, High Density Multiple Family Residence/Planned Development Combining district;
 - Reclassify the 6.4-acre lands at Franciscan Apartments (888 Foster City Boulevard, APN: 094-091-020) to change the Zoning Map Designation from R-3/AHO, Medium Density Multiple-Family Residence/Affordable Housing Overlay Combining District to R-4/PD/AHO, High Density Multiple-Family Residence/Planned Development/Planned Development/Affordable Housing Overlay Combining District;
 - Reclassify Foster's Landing Apartments (700 Bounty Drive, APN: 094-980-070) to change the zoning designation from R-3/PD Medium Density, Multiple Family Residence District/Planned Development to CM/PD, Commercial Mix/Planned Development District;
 - Reclassify the 8.77-acre lands at Shell Cove Apartments (707-939 Shell Boulevard, APN: 094-470-160) to change the Zoning Map Designation from R-3/PD/AHO, Medium Density Multiple-Family

Residence/Planned Development/Affordable Housing Overlay Combining District to R-4/PD/AHO, High Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay Combining District;

- Reclassify the 9.64-acre lands at Lagoons Apartments (611-899 Bounty Drive, APN: 094-472-010) to change the Zoning Map Designation from R-3/PD.AHO, Medium Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay Combining District to R-4/PD/AHO, High Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay Combining District;
 - Reclassify the 18.7-acre lands at Beach Cove Apartments (605-1021 Catamaran Street, APN: 094-320-040 and 094-330-010) to change the Zoning Map Designation from R-4/PD/AHO, High Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay Combining District to R4/PD/AHO/BRHO, (High Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay/By-Right Housing Overlay Combining District;
 - Reclassify the 7.9-acre lands at Shadow Cove Apartments (1019-1091 Foster City Boulevard, APN 094-312- 780) to change the Zoning Map Designation from R-4/PD/AHO, High Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay Combining District to R-4/PD/AHO/BRHO, High Density Multiple-Family Residence/Planned Development/Affordable Housing Overlay/By-Right Housing Overlay Combining District;
 - Reclassify the Eaves Apartments (700 Marlin Avenue, APN: 094-141-010) to change the zoning designation from R-3 Medium Density, Multiple-Family Residence District to R-4/PD High Density, Multiple-Family/Planned Development District;
 - Reclassify 1601 Beach Park Boulevard (APN: 094-211-550) to change the zoning designation from PF Public Facilities to R-2/PD Two-Family Residence District/Planner Development; and
 - Modify the Previously Approved General Development Plan for the + 100-Acre Lands Known as Metro Center in the C-2/PD (General Business/Planned Development) District to a C-2/PD (General Business/Planned Development) District with an Amended General Development Plan to Allow Commercial – or -- Mixed Commercial/Residential Use up to 222 dwelling units at 1010 Metro Center Boulevard in the Town Center Neighborhood.
- Multi-Family Objective Design Standards – On [December 18, 2023](#), the City Council introduced an Ordinance to amend the zoning regulations to add Multifamily and Residential Mixed Use Objective Design and Development Standards. The ordinance was adopted on [January 16, 2024](#). (H-D-6-e)
 - Accessory Dwelling Units – On September 18, 2023, the City Council approved updates to Chapter 17.78 of Municipal Code to comply with 2023 State laws, including allowing up to three (3) ADUs on a single-family lot. (H-D-4-a)
 - Rental Housing Assistance Information – Staff created [multiple webpages](#) for information and resources on fair housing, funding, housing legislation, rental

below market rate units, etc. (H-C-4-a)

- Amend Parking Requirements – On [December 18, 2023](#), the City Council introduced amendments to parking requirements for multi-family housing as necessary, including but not limited to reducing guest parking requirements by 50% and establishing bicycle parking requirements for residential uses, to allow General Plan densities and to reduce housing costs. The ordinance was adopted on [January 16, 2024](#). (H-D-6-c)
- Density Bonus for Affordable Housing Projects Consistent with State Density Bonus Law – On [September 18, 2023](#), the City Council approved updates to Chapter 17.86 to comply with state law. (H-E-3-a)
- Adequate Water Supply – On [May 1, 2023](#), the Estero Municipal Improvement District Board (EMID) approved a new Chapter 8.90, Water Neutrality Growth, to the EMID Municipal Code to ensure sufficient water capacity to accommodate the RHNA, such as the potential use of water demand offset policies, require new and renovated developments to have “net neutral” water demand, or use of recycled water for irrigation. (H-A-4-a)
- Age Friendly Initiative – On [June 5, 2023](#), Council accepted the Age-Friendly City Initiative Three Year Action Plan by Minute Order No. 1922. Agreement for Age Friendly Action Plan Consultant Services was executed. Staff worked with the Consultant to draft an Action Plan based on stakeholder survey input. In November 2023, Association of Retired Persons (AARP) reviewed and approved a submitted draft of Foster City's AFC Initiative Action Plan. The City's AFC plan was approved by the City Council on [January 16, 2024](#). (H-F-1-h)
- Climate Action Plan - The Administrative Draft 2023 Foster City Climate Action Plan Update was completed in November 2023. (H-B-3-d)
- Continue to Monitor Expiration of Affordability Covenants - The final four (4) of 70 Below Market Rate (BMR) units at Foster's Landing expired on December 31, 2023. The City provided opportunities for relocation assistance services and early relocation to all four (4) households. Of the (4) four, three (3) relocated and one (1) elected to stay at Foster's Landing in a market rate unit. (H-C-2-b)
- Inclusionary 20% Requirement - On [December 18, 2023](#), City Council adopted an ordinance approving revisions to Foster City Municipal Code, Chapter 17.90, Below Market Rate Inclusionary Housing Program and Below Market Rate Housing Programs Administrative Procedures and Guidelines. The revisions to the code provide greater clarity and expansion of the enforcement provisions and revisions to the Administrative Procedures and Guidelines provide greater clarity and detail for management and compliance of Below Market Rate (BMR) units. The changes also resulted in two (2) separate documents for rental programs and ownership programs.
- Housing unit production – The City issued building permits for four (4) ADUs (accessory dwelling units) in 2023 and issued 16 Certificates of Occupancy (or temporary certificates) in 2023 for new units. As of July 1, 2022, through December 13, 2023, a total of 59 new housing units were completed and count towards the RHNA 2023-2031. (H-A-1-a Annual Tracking of Housing Activity & H-A-1-b No Net Loss/Development Pipeline Monitoring).

Regional Housing Needs Allocation Progress

Legislation, such as [Senate Bill 35](#) (SB 35), [Assembly Bill 73](#) (AB 73), and [Senate Bill 570](#) (SB 570) adopted in 2017, has provided penalties and incentives related to making progress toward meeting RHNA for each Planning Period. SB 35 which added Section 65913.4 to the Government Code was set to sunset on January 1, 2026. However, SB 423 which went into effect on January 1, 2024, extended the expiration date to January 1, 2036. HCD released a report on June 1, 2023 the [SB 35 Statewide Determination Summary](#), showing that Foster City was one of 246 jurisdictions in the state that have insufficient progress toward their Lower income RHNA (Very-Low and Low income) and are therefore subject to the streamlined ministerial approval process (SB 35 (Chapter 366, Statutes of 2017) streamlining) for proposed developments with at least 50% affordability.

Those jurisdictions that are not on track to meet their housing needs will lose the ability to reject certain types of development projects under SB 35. Cities and counties are subject to SB 35 streamlining when they fall behind on submitting annual progress reports and/or in meeting less than the prorated portion of their RHNA. A total of 251 jurisdictions are subject to the streamlined ministerial approval process for proposed developments with at least 10% affordability and another 246 jurisdictions are subject to this process when proposed developments have at least 50% affordability. The progress is prorated and recalculated each year until the mid-point of the Housing Element Reporting Period, and then recalculated again at the end of the Period.

A summary of housing development permits issued showing progress toward meeting the RHNA is shown below. Table 1 reports on how many permits were issued each year. Table 2 reports RHNA progress of all permits completed (built and occupied) by affordability in all cycles pertaining to the 2023-2031 Housing Element. The difference in the numbers provided in the two tables below (about 55 units) is a result of units that have been approved but not yet occupied until 2023. See attached Table A2 of Attachment 3 for more detailed information.

Table 1. Planning Period Permits Issued by Affordability for RHNA 2023-2031

Income Level	RHNA	Year 1 2023	Total Units to Date
Very Low	520	1	1
Low	299	0	0
Moderate	300	1	1
Above Moderate	777	2	2
Total	1,896	4	4

Table 2. Units Completed for RHNA 2023-31

Income Level	RHNA	Units Completed 7/1/2022- 12/31/2022	Units Completed 1/1/2023 - 12/31/2023	Total Units Completed Toward RHNA 6	% RHNA Met
Very Low	520	6	3	9	1.73%
Low	299	13	0	13	4.35%
Moderate	300	5	0	5	1.67%
Above Moderate	777	20	12	32	4.12%
Total	1,896	44	15	59	3.11%

Housing Element Program Implementation

The adopted Housing Element 2023-31 includes several programs to ensure that adequate housing sites are available during the planning period to make it possible to produce the number and type of housing units in the RHNA.

Foster City's housing plan includes seven goals as follows:

- H-A: Reinforce the City's commitment to meeting housing needs.
- H-B: Protect existing housing, waterfront character, and resources.
- H-C: Protect the supply and affordability of rental housing.
- H-D: Pursue public and private redevelopment opportunities to increase the supply of housing.
- H-E: Address affordable housing needs.
- H-F: Address housing for special needs populations.
- H-G: Affirmatively further fair housing.

The plan provides for a variety of housing types and sizes, a mixture of rental and ownership housing, and housing that supports special needs populations. The policies and programs contained in this Housing Element support these goals while also ensuring that the City will meet its statutory obligations to affirmatively further fair housing and facilitate housing production at all income levels. Please refer to Table D in Attachment 3 for Housing Element - Program Implementation Status. Some of the programs that were implemented in 2023 have been discussed in detail above.

Assembly Bill (AB) 1743 Compliance: AB 1743 requires local planning agencies to include in their APR whether housing development applications are subject to a ministerial or discretionary approval process. The reporting only pertains to development applications that result in **new** units and not applications that are remodeling of existing homes or additions to existing homes. In 2023, four (4) housing development applications were received that would result in new units. All four (4) projects required **ministerial** action (because they were ADUs). More detailed information pertaining to Building permit issuance is available in Table A2 of Attachment 3.

AB 2094 Compliance: AB 2094 requires local planning agencies to include in their APR its progress towards meeting its share of regional housing needs for extremely low-income households. There were two (ADUs) extremely low-income units completed in 2023. It also requires reporting associated with the Affordable Housing and High Roads Jobs Act of 2022 (AB 2011), including: (1) the location of the project; (2) the status of the project; (3) total number of units of the project; (4) number of units in the project that are rental housing; (5) number of units in the project that are for-sale housing; and (6) household income category of the units. AB 2094 also requires reporting of data from all projects approved to receive a density bonus. The City did not receive any applications for density bonus for any housing development in 2023.

Submittal to HCD and OPR

Government Code Section 65400 requires the local planning agency to provide the APRs to the legislative body (i.e., City Council), HCD, and OPR by April 1st of each year for the prior calendar year reporting period. In order to ensure that the City remains in compliance with State law, staff must submit the 2023 General Plan and Housing Element APRs (Attachments 2 and 3) to HCD and OPR by April 1, 2024.

ENVIRONMENTAL REVIEW

The General Plan and Housing Element APRs do not qualify as a project as defined in the California Code of Regulations Section 15378(a). The reports are administrative activities

conducted by the City that will not result in direct or indirect physical changes in the environment. Further, the APRs are exempt from review under the California Environmental Quality Act (CEQA), pursuant to California Code of Regulations Section 15601(b)(3). The activity is covered by the commonsense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Attachments:

Attachment 1: Resolution

Attachment 2: Table of General Plan Programs - General Plan Annual Report for 2022

Attachment 3: APR Reporting Tables A, A2, B, D, K & LEAP Reporting