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DATE: MAY 4, 2023

## STAFF REPORT

AGENDA ITEM NO. 6.1

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TO: FOSTER CITY PLANNING COMMISSION

PREPARED BY: LESLIE CARMICHAEL, CONSULTING PLANNER

CASE NO.: EA2021-0004 EIR FOR HOUSING & SAFETY ELEMENTS UPDATE  
GP2020-0002 HOUSING ELEMENT UPDATE  
GP2022-0001 LAND USE AND CIRCULATION ELEMENT  
AMENDMENTS  
RZ2023-0001 ZONING MAP AMENDMENT  
RZ2023-0002 ZONING MAP AMENDMENT  
RZ2023-0003 ZONING TEXT AMENDMENT

OWNER: CITY OF FOSTER CITY

PROJECT LOCATION: CITYWIDE WITH SPECIFIC AMENDMENTS AT:

- FOSTER'S LANDING, 700 BOUNTY DRIVE
- EAVES APARTMENTS, 700 MARLIN AVENUE
- 1601 BEACH PARK BOULEVARD
- 1010 METRO CENTER BOULEVARD

### **REQUESTED ACTION/PURPOSE**

Staff recommends that the Planning Commission take the following actions:

- 1) Adopt a Resolution recommending City Council certification of the Final Environmental Impact Report (EIR) for the Foster City Housing and Safety Elements Update, recommending adoption of environmental findings pursuant to the California Environmental Quality Act, adopting a Statement of Overriding Considerations, and adopting a Standard Conditions of Approval and Mitigation Monitoring and Reporting Program – EA2021-0004.
- 2) Adopt a Resolution recommending the City Council to adopt a General Plan Amendment to repeal the 2015-2023 Housing Element and adopt the Housing Element of the General Plan for the period of 2023-2031 including policies and programs to affirmatively further fair housing and related amendments to the Land Use and Circulation Element in compliance with State Housing Element Law and finding the amendments within the scope of the EIR prepared for the Foster City Housing and Safety Elements Update – GP2020-0002 and GP2022-0001.
- 3) Adopt a Resolution recommending the City Council to adopt amendments to the Foster City Zoning Map to implement the RHNA 6 Housing Element for the 2023-2031 Planning Period and finding the amendments within the scope of the EIR prepared for the Foster City Housing and Safety Elements Update – RZ2023-0001.
- 4) Adopt a Resolution recommending City Council to adopt an amendment to the Foster City Zoning Map to modify the previously approved General Development Plan for the ±100-acre lands known at Metro Center in the C-2/PD (General Business/Planned Development) District with an amended General Development Plan to allow up to

58,000 square feet of commercial or mixed commercial/residential use of up to 58,000 square feet of commercial and up to 222 dwelling units at 1010 Metro Center Boulevard in Town Center Neighborhood (TC) and finding the amendments within the scope of the EIR prepared for the Foster City Housing and Safety Elements Update – RZ2023-0002.

- 5) Adopt Resolution recommending the City Council adopt various text amendments to Title 17, “Zoning” of the Foster City Municipal Code including amendments to Chapter 17.14, R-2 “Two-Family Residence District” and Chapter 17.82 “Emergency Shelters, Low Barrier Navigation Centers, and Supportive Housing” to implement the RHNA 6 Housing Element for the 2023-2031 Planning Period and comply with recent changes in State law and finding the amendments within the scope of the EIR prepared for the Foster City Housing and Safety Elements Update – RZ2023-0003.

## **EXECUTIVE SUMMARY**

The Housing Element is an integral part of the Foster City General Plan that serves to identify the community’s housing needs, state the community’s goals and objectives with regard to housing production, rehabilitation, and conservation to meet those needs; and define the policies and programs that the community will implement to achieve the stated goals and objectives. In addition, state law requires the review of the Housing Element by the California Department of Housing and Community Development (HCD).

The City of Foster City has been working on the Housing Element for 2023-2031 (Housing Element Update) for more than two (2) years. The Housing Element Update has been informed by an extensive analysis of housing needs and constraints as required by state law as well as substantial community input. Public engagement was initiated in 2020 through City Council and Planning Commission meetings. Further community engagement, workshops, and public meetings took place in 2020-2023. These efforts led to the publication of the first draft Housing Element Update on May 4, 2022, for the first 30-day public comment period. Revisions to the public and HCD’s comments were addressed and submitted to HCD in July 2022.

The first comment letter from HCD was received on October 3, 2022. Changes were incorporated into the Draft Housing Element dated February 16, 2023, in response to these comments (see Exhibit B to Attachment 2). A second comment letter from HCD was received on April 24, 2023 (Attachment 8). Recommended responses to these comments are contained in Exhibit C to Attachment 2 and have been incorporated into a revised Draft Housing Element dated May 1, 2023 (Exhibits D and E to Attachment 2). Staff recommends that the Planning Commission make its recommendation to the City Council with the understanding that additional “wordsmithing” or non-substantive changes may be made, as stated in the recommended resolution as follows:

“That the Community Development Director or designee is directed to file all necessary material with HCD for the Department to find that the Housing Element is in conformance with Housing Element Law and is further directed and authorized to make all non-substantive changes to the Housing Element to make it internally consistent or to address any non-substantive changes or amendments requested by HCD to achieve certification.”

As part of the Housing Element efforts, an Environmental Impact Report (EIR) was completed and reviewed by the public and stakeholders. The EIR includes an analysis of the Housing Element Update and the Draft Safety Element Update. While the timeline for the adoption Draft Safety Element Update will be at a later date, major components of the Draft Safety Element Update include analysis for potential circulation, evaluation, and roadway capacity related to the

Housing Element Update and, therefore, were determined appropriate to include this analysis as part of the Draft EIR at this time. The Draft EIR was made available to the public from February 16, 2023, through April 2, 2023, with about 15 public comments received. Responses to Comments (RTC) have been completed and made available on April 21, 2023. The EIR disclosed that there are significant unavoidable impacts, even with mitigation measures applied, to resource areas such as Traffic and Transportation, Utilities (specifically water supply), and Aesthetics. Other resource areas would have less than significant impacts under CEQA with standard conditions of approval required by the local and regional requirements, and mitigation measures identified as part of the EIR process. The EIR also included an analysis of alternatives and determined the “no-project alternative” would be considered the “environmentally superior alternative” but would not meet the project’s objectives. Consistent with the CEQA Guidelines, a Statement of Overriding Considerations is recommended explaining the specific reasons why the social, economic, legal, technological, or other beneficial aspects of the proposed project, including region-wide or statewide environmental benefits, outweigh the unavoidable adverse environmental impacts and why the Lead Agency is willing to accept such impacts, as provided in Attachment 1.

After more than two (2) years of effort on updating the Housing Element for 2023-2031, the Planning Commission is now requested to make its recommendations to the City Council regarding the Housing Element for 2023-2031 and related actions. Staff recommends the Planning Commission recommend to City Council the certification of the EIR and all components of the environmental analysis, approval of the General Plan Amendment (GPA) to repeal the old Housing Element, adoption of the new Housing Element Update, and approval of multiple General Development Plan amendments and Municipal Code text and Zoning Map changes to implement the new Housing Element Update.

## **NOTICING / PUBLIC OUTREACH**

### **Public Hearing Noticing**

The public was advised of this Public Hearing in the following ways:

- Public Posting Places – April 13, 2023
- Foster City Website: [www.fostercity.org](http://www.fostercity.org) – April 13, 2023
- Housing Element Update Website: <https://engagefostercity.org/housing-element> – April 13, 2023
- Email Notification to HOAs – April 13, 2023
- Email Notification to listserves for Housing Element, Planning, Affordable Housing Updates, AHOZ/Multi-Family Design Standards, Gilead Project, Harbor Cove, Land Use and Circulation Update, Lantern Cove Apartments – April 13, 2023
- Full page ad in the Foster City Islander – April 19, 2023
- Mailed notice to property owners within 300’ of properties noticed for General Plan Land Use or Zoning changes and posting on the subject properties: Foster’s Landing Apartments, Eaves Apartments, 1601 Beach Park Boulevard, and 1010 Metro Center Boulevard – April 14, 2023

## **BACKGROUND**

### **Housing Element Requirements**

California Government Code Section 65580-65589.8 requires local jurisdictions to update the Housing Element of their General Plan every eight years to adequately plan for the regional

housing needs of residents of all income groups. Housing Elements are required to contain a series of goals, policies and implementing programs that are intended to promote housing production within a community. These goals, policies and programs are required to be accompanied by a list of eligible land resources, the Sites Inventory, identified for planned residential development to accommodate the State-mandated Regional Housing Needs Allocation, or RHNA. The existing Housing Element for the 2015-2023 Planning Period covers the fifth cycle of the RHNA process, referenced as RHNA 5; the proposed Draft Housing Element 2023-2031 covers the sixth cycle, referenced as RHNA 6. Housing Elements are reviewed by the California Department of Housing and Community Development (HCD) for compliance with State requirements and “certified” by HCD if they are found in compliance.

One of the most significant changes in State law for the RHNA 6 Housing Element cycle is regarding fair housing. Assembly Bill (AB) 686 requires that all housing elements due on or after January 1, 2021, must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015. Under state law, AFFH means “taking meaningful actions, in addition to combating discrimination, which overcomes patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.” The four main goals are to:

- Address significant disparities in housing needs and in access to opportunity;
- Replace segregated living patterns with truly integrated and balanced living patterns;
- Transform racially and ethnically concentrated areas of poverty into areas of opportunity; and
- Foster and maintain compliance with civil rights and fair housing laws.

Some of the State requirements regarding adoption of the Housing Element are summarized below:

- January 31, 2023 Statutory deadline for adoption of Housing Element.
- January 31, 2023 If rezoning for the lower-income RHNA is not completed by January 31, 2023, then the element must include a program to rezone sites with appropriate zoning and development standards, i.e., “by right” approval. (These rezonings were accomplished in January 2023-see additional discussion below.)
- May 31, 2023 End of 120 Days from statutory deadline – if Housing Element is not adopted, then the jurisdiction has one year to complete any rezonings to accommodate the lower-income RHNA.
- January 31, 2024 If a jurisdiction fails to adopt a compliant housing element within one year of the statutory deadline, then rezoning to provide sites must be completed prior to certification by HCD.

### **Regional Housing Needs Allocation**

A community’s RHNA represents the number of housing units at various income levels that are needed to meet the community’s housing needs during the eight-year planning period. RHNA numbers are determined by a methodology established by the State of California’s Department of Finance (DOF) and the Housing and Community Development Department (HCD). HCD then assigns RHNA numbers to each region of the State. In the case of the San Francisco Bay Area, the Association of Bay Area Governments (ABAG) receives HCD’s assignments and determines each local jurisdiction’s fair share of housing units. The [ABAG RHNA webpage](#) describes the

process that was utilized for developing the methodology and providing opportunities for public input and appeals. Each jurisdiction must then update the Housing Element to show the locations where future housing can be built to accommodate the RHNA and discuss strategies necessary to meet the community's housing needs.

Foster City's assigned RHNA is listed in Table 1, below.

**Table 1: Foster City Regional Housing Needs Allocation, 2023-2031**

<b>Income Category</b>	<b>Units</b>	<b>Percent of Total</b>
Very Low-Income (0-50% AMI)	520	27%
Low-Income (51-80% AMI)	299	16%
Moderate-Income (81-120% AMI)	300	16%
Above Moderate-Income (Over 120% of AMI)	777	41%
Total	1,896	100%

### **Department of Housing and Community Development (HCD) Review**

The Draft Housing Element was forwarded to HCD for review on July 5, 2022, for the initial 90-day review period. In September 2022, staff had a call with HCD to discuss their preliminary comments. On October 3, 2022, the City received a [letter with HCD's comments](#) on the Draft Housing Element. The responses to HCD's comments are contained in Exhibit B to Attachment 2.

Revisions were made to the Draft Housing Element in response to HCD's comments as well as public comments and direction from the Planning Commission and City Council. After posting the Revised Draft Housing Element for public review on February 6, 2023, and posting a further Revised Draft Housing Element on February 16, 2023, the Revised Draft Housing Element was forwarded to HCD on February 24, 2023, for a second review period of 60-days with a comment letter due by April 25, 2023.

A second comment letter from HCD was received on April 24, 2023 (Attachment 8). Recommended responses to these comments are contained in Exhibit C to Attachment 2 and have been incorporated into a revised Draft Housing Element dated May 1, 2023 (Exhibits D and E to Attachment 2). Staff recommends that the Planning Commission make its recommendation to the City Council with the understanding that additional "wordsmithing" or non-substantive changes may be made, as stated in the recommended resolution as follows:

"That the Community Development Director or designee is directed to file all necessary material with HCD for the Department to find that the Housing Element is in conformance with Housing Element Law and is further directed and authorized to make all non-substantive changes to the Housing Element to make it internally consistent or to address any non-substantive changes or amendments requested by HCD to achieve certification."

HCD approval is not required for a housing element to be in substantial compliance with State law; a jurisdiction may adopt its own findings regarding why the Housing Element is substantially compliant and may also choose to adopt the Housing Element before final HCD approval.

### **Zoning Amendments Adopted in January 2023**

Several zoning and General Plan amendments are a portion of the actions that are necessary to implement policies and programs contained in the RHNA Cycle 6 Housing Element for 2023-2031. The initial group of changes needed was adopted in January 2023. These actions included:

- Zoning actions for “carry-over” housing sites identified in the Sites Inventory in the RHNA 5 Housing Element and also in the RHNA 6 Housing Element.
  - Harbor Cove Apartments
  - Franciscan Apartments
  - Sand Cove Apartments
  - The Lagoons Apartments
- Amend Chapter 17.04, Definitions for Employee Housing; Manufactured Home; Navigation Center, Low Barrier; Supportive Housing;
- Amend Chapter 17.12, R-1, Single Family Residence District
- Amend Chapter 17.14, R-2, Two Family Residence District
- Amend Chapter 17.14, R-2, Two Family Residence District
- Amend Chapter 17.16, R-T, Townhouse Residence District
- Amend Chapter 17.18, R-3, Medium Density, Multiple-Family Residence District
- Amend Chapter 17.20, R-4, High Density, Multiple-Family Residence District
- Amend Chapter 17.22, Commercial Office District
- Amend Chapter 17.24, C-1 Neighborhood Business District
- Amend Chapter 17.26, C-2, General Business District
- Amend Chapter 17.28, C-M, Commercial Mix District
- Amend Chapter 17.32, Public Facilities District
- Amend Chapter 17.36, PD, Planned Development Combining District
- Amend Chapter 17.55 Replacement Units
- Rescind Chapter 17.56, Floor Area Standards
- Amend Chapter 17.70, Nonconformity Uses
- Amend Chapter 17.78, Accessory Dwelling Units
- Amend Chapter 17.82, Emergency Shelters, Low Barrier Navigation Centers, and Supportive Housing
- Add Chapter 17.94, By Right Housing Overlay

### **General Plan and Zoning Consistency**

Several zoning amendments for consistency with recent changes in State law and to be consistent with the updated Housing Element were adopted in January 2023, as listed above. The proposed General Plan Amendment contained in the attached Resolutions (Attachment 2) would repeal and replace the Housing Element and make some accompanying amendments to the Land Use and Circulation Element to ensure consistency. Additional zoning amendments are proposed below for consistency with the Housing Element and are described in more detail below (Attachments 3, 4, and 5).

Furthermore, the Safety Element is in preparation and anticipated to be ready for adoption in early summer 2023.

### **Overview of Public Outreach for Housing Element**

In 2020, the City launched a Housing Element Update webpage with basic information and an invitation for people to sign up for a notification list to stay involved. Since that time, the City has used a variety of methods for gathering community input. The list below summarizes the public outreach related to the Housing Element. Additional information is included in Chapter 7 and Appendix F of the Housing Element.

- [September 21, 2020](#): Joint City Council/Planning Commission Study Session – discuss local and regional housing framework.
- [March 24, 2021](#): Joint City Council/Planning Commission meeting – housing subject matter experts: Nicole Sandkulla, CEO and General Manager, Bay Area Water Supply and Conservation Agency (BAWSCA); David Driskell, Baird+Driskell Community Planning; Dan Carrigg, Senior Policy Advisor, Renne Public Policy Group (RPPG); Jonathan Sutter, P.E., Senior Engineer, EKI Environment & Water, Inc.; and Matt Goyne, Senior Associate, Fehr & Peers, Transportation Consultants.
- April 13, 2021: Countywide Community Meeting.
- [April 14, 2021](#): Joint City Council/Planning Commission Meeting – Housing Element workplan.
- April 22, 2021: Countywide Community Meeting.
- [June 7, 2021](#): City Council Meeting to discuss potential Regional Housing Needs Allocation (RHNA) appeal.
- [July 15, 2021](#): Planning Commission Study Session for housing needs.
- September 27, 2021: 21 Elements Countywide Listening Session #1 (Fair Housing).
- September 28 and 30, 2021: Two Community Workshops.
- October-December 2021: 21 Elements 4 part Let's Talk Housing Webinar.
- October 18, 2021: 21 Elements Countywide Listening Session #2 (Housing Advocates).
- November 1, 2021: 21 Elements Countywide Listening Session #3 (Builders/Developers).
- [November 1, 2021](#): City Council Meeting for Report on Community Workshops.
- [December 13, 2021](#): City Council meeting for RFP for EIR.
- February 7, 2022: City Council meeting – award EIR contract
- February 16, 2022: New website launched (<https://engagefostercity.org/housing-element>) with updates, timelines, document links, interactive map/sites survey; Housing Preferences and Priorities Survey
- [February 17, 2022](#): Planning Commission Meeting on scope of EIR.
- [March 2, 2022](#): Joint City Council/Planning Commission Study Session – progress update on Housing Element, sites, and policies.
- [April 21, 2022](#): Joint City Council/Planning Commission Meeting – review Preliminary Public Review Draft Housing Element.
- May 4, 2022: Published Public Review Draft Housing Element.
- [May 17, 2022](#): Joint City Council/Planning Commission Meeting – review Public Review Draft Housing Element.
- [November 15, 2022](#): Joint City Council/Planning Commission Study Session – review HCD comments and strategies for responding.
- [December 1, 2022](#): Planning Commission Meeting to consider zoning actions.
- [January 9, 2023](#): City Council Special Meeting to consider zoning actions.
- February 6, 2023: Published Revised Public Review Draft Housing Element.

- February 16, 2023: Published Revised Public Review Draft Housing Element.
- [March 16, 2023](#): Planning Commission meeting on adequacy of Draft EIR.

## **Public Comments for the Housing Element**

Community engagement has shaped the Draft Housing Element as described in Chapter 7, Public Participation. This chapter summarizes the various outreach activities as well as what input was received from these outreach activities. Chapter 7 also includes a summary of how public input was incorporated into the Housing Element.

## **ANALYSIS**

### **Housing Element**

The sections below summarize the requirements and contents for the different chapters of the Housing Element.

#### **Housing Needs**

The Housing Element must examine demographic, employment and housing trends and conditions and identify existing and projected housing needs of the community, with attention paid to special housing needs, such as large families and persons with disabilities. This section includes a community's RHNA as determined by the regional planning body in partnership with HCD.

Chapter 2 and Appendix A of the Housing Element contain information on housing needs. Foster City is becoming more diverse, with no one racial group making up a majority of the population. The City has a mix of housing types that are well distributed throughout the City. The largest need is for more affordable housing. Additional information was provided in response to HCD comments regarding cost burden, including cost burden by tenure (renter/owner), cost burden by income level, and geographic distribution of cost burden. Local knowledge from City officials was added regarding housing conditions. Information was added explaining measures the City has taken to address special housing needs.

#### **Affirmatively Furthering Fair Housing (AFFH)**

Chapter 3 and Appendix B address the AFFH requirements described above. The City collaborated with Root Policy Research, 21 Elements, ABAG, and UC Merced to complete a full assessment and outreach plan, including an analysis of the history of the region in regard to fair housing. The analysis found that where there are concentrations of an ethnic group, it is of Asian residents, although there is significant diversity within the Asian population, with large proportions of Chinese and Asian Indian. Barriers to housing choice are largely due to the high costs of housing. Discrimination was reported in sales and rental transactions by people of color, people with disabilities, and people using Housing Choice vouchers.

More detailed information was included in response to HCD's comments regarding many factors, including potential for displacement, fair housing complaints, trends over time and patterns across census tracts for many factors, disparities in access to education and jobs, and access to transit.



## Constraints

The Housing Element must analyze and recommend remedies for existing and potential governmental and nongovernmental barriers to housing development. Chapter 4 and Appendix C contain the analysis regarding constraints. A significant constraint for the production of additional housing is the water supply. A Water Supply Assessment was performed that found that although there is sufficient water supply projected in normal and wet years, there is not sufficient water supply during single-dry and multiple-dry years with or without additional housing growth. Housing Policy H-A-4 Adequate Water Supply and Sewer Capacity for new Housing Development as well as Program H-A-4-a Adequate Water Supply call for the City to work with EMID to develop water conservation requirements and/or increased water supply that will ensure sufficient water capacity to accommodate the RHNA. The Estero Municipal Improvement District (EMID) Board adopted [Resolution No. 3713](#) on March 20, 2023 directing staff to prepare an ordinance implementing a Water Neutrality Growth Policy Framework. Consideration of a Water Neutrality Growth Ordinance is scheduled for May 1, 2023.

Additional information on constraints was provided in response to HCD comments regarding land use controls, parking, fees, permit processing, and inclusionary requirements.

## Housing Resources and Sites Inventory

Resources to provide additional housing include both physical sites as well as financial and administrative resources. Jurisdictions must identify locations of available sites for housing development or redevelopment to demonstrate there is enough land zoned for housing to meet future needs at all income levels. The standards for designating adequate sites were substantially changed for the RHNA 6 cycle, particularly for non-vacant sites. Chapter 5 and Appendix D include the information on resources and sites. The Sites Inventory is included in Table 2, below.

**Table 2: Sites Inventory**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
<b>Pipeline Projects</b>						
Laguna Vista Condominiums					48	48
Workforce Apartments		5	12	5		22
ADUs Under Construction		2	1	1		4
<b>Proposed Projects</b>						
Lantern Cove <sup>a</sup>	14	14	25		303	356
Schooner Bay	26	26	45		549	646
Eaves Apartments MF ADUs	7		7	7	1	22
<b>Accessory Dwelling Units</b>						
ADUs	7		7	7	3	24
<b>RHNA<sub>5</sub> Sites</b>						
Franciscan Apartments	28		17	17	42	104
Sand Cove Apartments	38		22	22	57	139
The Lagoons Apartments	43		26	26	66	161
Beach Cove Apartments	65		38	38	98	239
Shadow Cove Apartments	31		18	18	46	113
Harbor Cove Apartments	25		15	15	36	91
<b>Other Residential Sites</b>						
Eaves Apartments	27		16	16	41	100
Foster's Landing Apartments	221		131	131	336	819
<b>Commercial Site to Allow Mixed Use</b>						
1010 Metro Center Blvd.	30		18	18	45	111
<b>Non-Residential Site to Rezone to Residential</b>						
1601 Beach Park Blvd.				3	13	16
<b>Total</b>	<b>609</b>		<b>398</b>	<b>334</b>	<b>1,684</b>	<b>3,015</b>
<b>RHNA</b>	<b>520</b>		<b>299</b>	<b>300</b>	<b>777</b>	<b>1,896</b>
<b>Remaining Need (Surplus)</b>	<b>89</b>		<b>99</b>	<b>24</b>	<b>907</b>	<b>1,119</b>
<b>Percent of Surplus</b>	<b>17%</b>		<b>33%</b>	<b>8%</b>	<b>117%</b>	<b>59%</b>

<sup>a</sup> Numbers of units per project application including City's inclusionary requirements per Chapter 17.90 and if in AHO, 17.92.

Source: Foster City Community Development Department.

Additional analysis of the sites was included in response to HCD comments. All of Foster City's sites are non-vacant and therefore pursuant to recent legislation, the City must explain why the existing uses are not a significant impediment to development of additional housing. The required findings are included in the resolution recommending adoption of the Housing Element (Attachment 2).

### Evaluation of the Previous Housing Element

The Housing Element reviews the accomplishments during the RHNA 5 cycle, including whether the policies and programs should be continued, deleted, or modified. Chapter 6 and Appendix E review the RHNA 5 Housing Element.

Additional information on accomplishments and how the City addressed special needs was included in response to HCD comments.

### Policies and Programs

Chapter 8 of the Housing Element contains the City's goals, policies, and programs related to the Housing Element. These have been modified in each draft of the Housing Element to address the identified housing needs and constraints. In response to HCD comments, additional detail regarding timeframes, metrics, and funding sources was added.

### ALUC Review

State law requires that the Airport Land Use Committee (ALUC) review amendments to the General Plan, such as Housing Elements, for consistency with the Comprehensive Land Use Compatibility Plan for the Environs of the San Carlos Airport. At its April 13, 2023 meeting, the ALUC recommended that the C/CAG Board of Directors, acting as the Airport Land Use Commission, determine that the City's Housing Element Update is consistent with the applicable airport/land use policies and criteria contained in the Comprehensive Land Use Compatibility Plan for the Environs of the San Carlos Airport.

Recently adopted overflight notification requirements that were adopted by the ALUC have been incorporated into the Draft Safety Element.

### General Plan Amendments

Several amendments to the Land Use and Circulation Element are proposed for consistency with the Housing Element, including some textual changes and changes to the Land Use Map. The textual changes are summarized in Table 3 and included in Exhibit D to Attachment 2.

**Table 3: General Plan Amendments**

<b>Item</b>	<b>Summary of Amendment</b>
Two-Family Residential description	Remove references to use only on Comet Drive. Change allowed density from 10 to 13 dwelling units per acre to be consistent with R-2 zoning that currently allows one unit per 3,500 square feet of lot area (12.44 units per acre); proposed zoning amendment would change to 3,350 (13 units per acre).
Service Commercial with Housing	Add description for designation already used on Land Use Map (at Pilgrim Triton)
Apartment/Neighborhood Commercial	Add description for designation already used on Land Use Map (at Marlin Cove)
Civic Center Mixed Use	Change allowed density from 20-35 units per acre to 20-60 units per acre

Land Use Map amendments are proposed for consistency with the Sites Inventory at Foster's Landing and 1601 Beach Park Boulevard for consistency with the Sites Inventory, as summarized in Table 4 and contained in Exhibit F to Attachment 2.

**Table 4: Land Use Map Amendments**

Site Name	APN	Address	Existing Designation	Proposed Designation
Foster's Landing	094-980-070	700 Bounty Drive	Condominium Residential	Civic Center Mixed Use
1601 Beach Park Blvd.	094-211-550	1601 Beach Park Blvd.	Public/Semi-Public	Two-Family Residential

**Zoning Map Amendments**

Zoning Map Amendments are proposed for consistency with the Sites Inventory as shown in Table 5 and contained in Attachments 3 and 4.

**Table 5: Zoning Map Amendments**

Site Name	APN	Address	Existing Zoning	Proposed Zoning
Foster's Landing	094-980-070	700 Bounty Drive	R-3/PD	CM/PD
Eaves	094-141-010	700 Marlin Ave.	R-3	R-4/PD
1601 Beach Park Blvd.	094-211-550	1601 Beach Park Blvd.	PF	R-2/PD
1010 Metro Center Blvd.	094-281-010	1010 Metro Center Blvd.	C-2/PD	C-2/PD with amended GDP to allow commercial <b>or</b> mixed use

**Zoning Text Amendments**

Zoning Text Amendments are summarized in Table 6 and contained in Attachment 5.

**Table 6: Zoning Text Amendments**

Chapter	Proposed Amendment
Chapter 17.14, R-2 Two-Family Residence District	Change minimum lot area per dwelling unit from 3,500 square feet (12.44 units per acre) to 3,350 square feet (13.0 units per acre)
Chapter 17.82, Emergency Shelters, Low Barrier Navigation Centers, and Supportive Housing	Remove standards that are no longer allowed pursuant to AB 2339

**Environmental Review**

A program-level Environmental Impact Report (EIR) was prepared to evaluate the environmental impacts of the Housing and Safety Element Updates Project pursuant to the California Environmental Quality Act (CEQA). A Draft EIR was circulated for public review from February 16, 2023 to April 2, 2023 (Attachment 7). The Planning Commission held a public hearing to receive verbal comments on the adequacy of the EIR on March 16, 2023.

The Responses to Comments (RTC) document has been prepared to provide responses to comments received on the Draft EIR and other text changes to the Draft EIR (Attachment 6). The RTC document was posted on the [Housing Element Update webpage](#) on April 21, 2023 and all commenters were notified by email on the same day. The RTC document includes:

- a short description of the environmental review process;
- the comments received on the Draft EIR and responses to those comments; and
- text revisions to the Draft EIR in response to the comments received and/or to amplify or clarify material in the Draft EIR.

The RTC document, together with the Draft EIR, constitutes the Final EIR for the Foster City Housing and Safety Elements Update.

The text revisions primarily relate to updates to the Draft Housing and Safety Elements Update and the Water Supply Assessment (WSA) completed subsequent to the Draft EIR. An overview of these revisions is provided in the RTC document including an assessment of the changes relative to the Draft EIR findings, which conclude that these changes, text edits, and amendments would not substantially change the findings of the Draft EIR and trigger the need for recirculation pursuant to Public Resources Code Section 21092.1; CEQA Guidelines Section 15088.5. Each revision is individually detailed within Chapter IV, Text Revisions, of the RTC document. The majority of the text revisions relate to changes regarding:

- Sites Inventory
- Policies and Programs
- Water Supply Assessment and Water Neutrality Growth Policy

### Summary of Impacts

The Draft EIR found that the project would result in several potentially significant impacts. Table II-1 of the [Draft EIR \(beginning on page 10\)](#) lists each impact, the level of significance prior to mitigation and with mitigation, as well as the mitigation measures recommended. Only one (1) impact related to transportation, one (1) impact related to utilities, and one (1) impact related to aesthetics were found to be significant and unavoidable, even after mitigation. All remaining impacts identified could be mitigated to a less-than-significant level with implementation of the recommended mitigation measures. Table 7 summarizes the level of significance of impacts for the various environmental topics.

**Table 7: Summary of Environmental Impacts**

<b>No Impacts or Less than Significant</b>	<b>Significant Impacts that can be Mitigated to Less than Significant</b>	<b>Significant and Unavoidable Impacts</b>
Agriculture and Forest Resources Biological Resources Cultural Resources Tribal Cultural Resources Geology and Soils Hydrology and Water Quality Energy Mineral Resources Wildfire	Land Use and Planning Air Quality Greenhouse Gas Emissions Hazards and Hazardous Materials Noise and Vibration Population and Housing	Traffic and Transportation Public Services, Utilities, and Recreation (Water Supply), Aesthetics

## Project Alternatives

CEQA requires that a Draft EIR describe a range of reasonable alternatives to the proposed project or project location which would feasibly attain most of the basic project objectives and which would avoid, or substantially lessen, any of the significant environmental impacts of the proposed project. The analysis of alternatives is beneficial to decision-makers, as it provides a complete assessment of anticipated impacts of land use decisions and, therefore, a better understanding of the interrelationships among potential impacts related to land use, transportation, air quality, noise, etc., compared to an EIR which does not encompass such a comparative analysis. The Draft EIR studied the following alternatives, which are explained in more detail in Chapter V of the Draft EIR:

- **No Project Alternative:** Under this alternative, the City would continue to implement the adopted 2015-2023 Housing Element and Local Hazard Mitigation Plan and Safety Element adopted in 2016, and the proposed 2023-2031 Housing Element and Safety Element would not be adopted.
- **Partial Reallocation to Mixed Use Alternative:** Under this alternative, housing sites located at the Schooner Bay Apartments Site (646 units), would be eliminated from the Housing Inventory Sites. Foster's Landing Site would be rezoned to allow for a total of 1,400 new units and the Edgewater Place Center Site would be rezoned to allow for 146 new units; both sites would allow mixed-use development.
- **Higher Density Alternative:** Under this alternative, housing sites located at the Schooner Bay Apartments Site (646 units) would be eliminated from the Housing Inventory Sites. Foster's Landing Site would be rezoned to allow for a total of 1,400 new units and the Metro Center Boulevard Site would be rezoned to allow for a total of 146 new units.

The alternatives are compared against the project's impacts and its objectives. Although the 'No Project' Alternative was found to be the environmentally superior alternative, because it would reduce some potential significant impacts identified in the Draft EIR, it would not result in meeting the City's objectives, including a Housing Element in compliance with State requirements. The No Project Alternative would also likely result in additional unanticipated development if the City does not have a Housing Element that has been certified by HCD.

## Conditions and Mitigation Measures

The EIR identified mitigation measures to reduce the project's impact on the environment. Some of these mitigation measures are standard conditions of approval (SCA) that will be applied to future development projects. CEQA Guidelines Section 15097 requires the preparation of a Mitigation Monitoring and Reporting Program (MMRP) to ensure that the mitigation measures are implemented. The SCA and the MMRP together make up the SCAMMRP (see Exhibit B to Attachment 1).

## EIR Findings

Pursuant to the California Environmental Quality Act (Section 21000) and CEQA Guidelines (Section 15000), findings must be made based on substantial evidence in the entire administrative record regarding the environmental impacts of the project and feasibility of project alternatives.

In accordance with the California Environmental Quality Act Guidelines (CEQA Section 15090), the decision-making body of the lead agency must consider the EIR and comments received

before approving a project under review. Per CEQA Section 15090, the City Council must make findings to support the following:

- a. The Final EIR has been completed in compliance with CEQA;
- b. The Final EIR was presented to the decision-making body of the lead agency, and the decision-making body reviewed and considered the information contained in the final EIR prior to approving the project; and
- c. The Final EIR reflects the lead agency's independent judgment and analysis.

The EIR contains an independent, legally defensible evaluation of all environmental impacts, thoroughly disclosing and analyzing potentially significant detrimental effects of the project and its reasonable alternatives, documenting the resulting findings and providing recommendations for reducing potential significant environmental impacts to levels less than significant associated. Mitigation measures integrated into the SCAMMRP have been recommended to reduce potentially significant impacts described in the Final EIR to levels below established thresholds of significance. *However, even with the incorporation of the recommended mitigation measures, the CEQA Findings conclude that there are three significant and unavoidable impacts: Traffic and Transportation and Public Services, Utilities and Recreation (specifically water supply), and Aesthetics.* CEQA provides that the lead agency can adopt a Statement of Overriding Considerations as authorized by CEQA Guidelines Section 15903 explaining the specific reasons why the social, economic, legal, technological, or other beneficial aspects of the proposed project, including region-wide or statewide environmental benefits outweigh the unavoidable adverse environmental impacts and why the Lead Agency is willing to accept such impacts.

The Statement of Overriding Considerations describes the expected benefits of the project that outweigh and make acceptable the potentially unavoidable impacts, summarized as follows:

- The project will improve and conserve the existing housing stock.
- The project will facilitate housing production and provide Foster City residents with a variety of housing options.
- The project will redevelop under-utilized sites.
- The project will improve equal housing opportunities and access to fair housing information.
- The project will mitigate natural and human-caused hazards, thereby improving public safety and resiliency (applies more to Safety Element).

The required findings and Statement of Overriding Considerations is contained in Exhibit A to Attachment 1.

## **CONCLUSION/SUMMARY**

Foster City's 2023-2031 Housing Element Update provides a roadmap for how to meet the City's growth and housing challenges, identifies what the existing housing conditions and community needs are, identifies goals, and creates a plan for additional housing in a way that is balanced with the community's desires to retain the aspects of Foster City that make it a great place to live, work, and play. Since the last Housing Element update in 2015, many statewide housing bills have passed, with goals ranging from addressing segregation to housing accountability, and climate resiliency. This Housing Element includes goals, policies, and programs that guide the community to meet these new requirements so Foster City can grow in a way that is safe, fair, and consistent with the City's other long-range plans.

## **NEXT STEPS**

The Planning Commission's recommendations will be forwarded to the City Council for consideration at a noticed, public hearing tentatively scheduled for May 22, 2023.

## **ATTACHMENTS**

1. Attachment 1 – EIR Resolution
  - A. Attachment 1 – Exhibit A – Findings and Statement of Overriding Considerations
  - B. Attachment 1 – Exhibit B – SCAMMRP – Conditions and Mitigation Measures
2. Attachment 2 - Resolution to Adopt Housing Element
  - A. Attachment 2 – Exhibit A – Housing Element Statutory Provisions Checklist
  - B. Attachment 2 – Exhibit B – HCD Comments-Responses, October 3, 2022
  - C. Attachment 2 – Exhibit C – Responses to HCD Comment Letter dated April 24, 2023
  - D. Attachment 2 – Exhibit D – Housing Element Redline Version
  - E. Attachment 2 – Exhibit E – Housing Element Clean Version
  - F. Attachment 2 – Exhibit F – General Plan Land Use Amendment
3. Attachment 3 – Resolution Recommending City Council Adoption of a Zoning Map Amendment
  - A. Exhibit A – Foster's Landing from R-3/PD to CM/PD
  - B. Exhibit B – Eaves from R-3 to R-4/PD
  - C. Exhibit C – 1601 Beach Park Blvd. from PF to R-2/PD
4. Attachment 4 – Resolution for 1010 Metro GDP Amendment
  - A. Exhibit A – Amended General Development Plan for Metro Center
  - B. Exhibit B – General Development Plan Graphic for Metro Center
5. Attachment 5 – Resolution Recommending Zoning Text Amendments
  - A. Attachment 5 – Exhibit A – Chapter 17.15 R-2, Two-Family Residence District
  - B. Attachment 5 – Exhibit B – Chapter 17.82, Emergency Shelters, Low Barrier Navigation Centers, and Supportive Housing
6. Attachment 6 – Final EIR available at: <https://engagefostercity.org/housing-element>
7. Attachment 7 – Draft EIR available at: <https://engagefostercity.org/housing-element>
8. Attachment 8 – Letter from HCD dated April 24, 2023