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BY DEPUTY

ORDINANCE NO. 2896

AN ORDINANCE OF THE PEOPLE OF REDLANDS FACILITATING AND PROVIDING FOR THE ENHANCEMENT OF SUSTAINABLE DEVELOPMENT WITHIN THE TRANSIT VILLAGES PLANNING AREA OF THE CITY OF REDLANDS BY AMENDING THE CITY OF REDLANDS GENERAL PLAN AND THE 1978 VOTER-APPROVED INITIATIVE MEASURE COMMONLY KNOWN AS PROPOSITION R, AS AMENDED BY THE 1987 VOTER-APPROVED INITIATIVE MEASURE COMMONLY KNOWN AS MEASURE N

WHEREAS, the State Legislature has enacted the Transit Village Development Planning Act of 1994 (Government Code section 65460 et seq.) and, in doing so, found that the development of transit development districts can improve a city's environmental conditions by increasing the use of public transit, facilitating the creation of, and improvement to, walkable, mixed use communities, and decreasing automobile use; and

WHEREAS, the State Legislature has also found that the development of transit village development districts throughout the State should be environmentally conscious and sustainable, and related construction should meet or exceed the requirements of the California Green Buildings Standards Code; and

WHEREAS, the State Legislature further found that the development of transit village development districts improves local street, road, and highway congestion by providing viable alternatives to automobile use; and

WHEREAS, the City's General Plan articulates a vision for transit-oriented development with specified goals and implementing strategies for establishing future environmentally conscious and sustainable development patterns around the proposed Redlands passenger rail stations to effectuate the purposes of the State Legislature in enacting the Transit Village Development Planning Act of 1994; and

WHEREAS, transit-oriented development is intended to serve as a foundation for realizing the goal of a connected, accessible, and active community by creating pedestrian and transit-oriented villages that reflect each transit station area's existing assets and unique characteristics; and

WHEREAS, the People of the City of Redlands acknowledge that components of the transit-oriented villages serve to improve connectivity between the proposed transit villages and the City's existing neighborhoods; provide new jobs, housing, and entertainment opportunities in walkable environments and provide new development and infill opportunities which enhance the environmental sustainability of the City; and

WHEREAS, more than 40 years ago, in 1978, the voters of the City of Redlands approved Proposition "R," which in relevant part provided that no more than 450 residential dwelling units could be developed within the City in any one calendar year; and

WHEREAS, more than 30 years ago, in 1987, the voters of the City of Redlands approved Measure "N," which in relevant part amended Proposition "R" to provide that no more than 400 residential dwelling units could be developed within the City in any one calendar year; and

WHEREAS, the People of the City of Redlands have determined that the above referenced limitations on annual residential dwelling units in the City greatly dissuade, frustrate, hinder, and make impractical the environmentally conscious and sustainable development contemplated by the City's specific plan for its Transit Village Planning Area; and

WHEREAS, the People of the City of Redlands find that the encouragement of development around the Redlands Transit Villages will enhance the quality of life for the residents of Redlands and hereby determine that development within the boundaries of the Transit Villages Planning Area (as depicted in Exhibit "A" attached hereto) should be exempt from the provisions of the 1997 voter-approved General Plan amendment commonly known as Measure "U;" and

WHEREAS, section 7.9-4 of the Housing Element of the City of Redlands General Plan, entitled "Evaluate Initiating a Ballot Measure to Allow Carryover of Unused Building Permit Allocations from Year to Year," recognizes that:

"Proposition R and Measure N established a limit of four hundred (400) dwelling units that could be built in any one calendar year. The original number was established based on a historical average of dwelling units per year. Proposition R and Measure N prohibit the carryover of unused dwelling units from year to year. While this will not necessarily prohibit the City from meeting its current hosing goals, it may be required to exceed the 400 unit cap at some point in order to meet the goals if the development activity were to remain low for an extended period of time during this Element's time period;" and

WHEREAS, the Housing Element of the City of Redlands General Plan then provides as an "action item" that the City should ".... to consider initiating an amendment to Measure N....in time to get the amendment on the ballot for the November... election;" and

WHEREAS, the People of the City of Redlands further desire to maintain the annual limitation on the approval of residential dwelling units in the City to four hundred (400) dwelling units for properties located outside of the Transit Villages Planning Area, subject to a limited exception to exempt new residential dwelling units constructed within the Transit Villages Planning Area from such annual limitation to encourage enhanced and sustainable housing options for the Redlands community;

THE PEOPLE OF THE CITY OF REDLANDS do hereby ordain as follows:

Section 1. Chapter 4.2 of the City of Redlands General Plan entitled "Principles of Managed Development" is hereby amended by the addition of Figure 4.2-1, which depicts the

geographical area of the City designated as the "Transit Villages Planning Area," and which is attached to this Ordinance as Exhibit "A" and incorporated herein by this reference.

- Sub-section B2, entitled "Special Categories of Development," of Section 4.2 of the Redlands General Plan, entitled "Principles of Managed Development," is hereby amended by the addition of subsection B2 G, which shall read as follows:
- "2. Special Categories of Development. The provisions of this initiative shall not apply to the following:
 - A
 B.
 C.
 D.
 E.
 F.
 - G. Development within the geographical area of the City designated as the "Transit Villages Planning Area" as depicted in Figure 4.2-1"
- Section 3. The 1987 voter-approved initiative zoning ordinance commonly known as Measure N is hereby amended by the addition of Exhibit N-1 which is attached to this Ordinance as Exhibit "B" and incorporated herein by this reference, and a new Section 7 which shall read as follows:
- "SECTION 7. EXEMPTION. The geographical area of the City designated as the "Transit Villages Planning Area" as depicted in Exhibit N-1, which is attached hereto and incorporated herein by this reference, is hereby deemed exempt from the provisions of this initiative ordinance and Proposition R."
- <u>Section 4.</u> Section 3 of the 1978 voter-approved initiative ordinance commonly known as Proposition R, as amended by the 1987 voter-approved initiative commonly known as Measure N, is hereby amended to read as follows:
- "Section 3. Henceforth, further residential development shall be limited to four hundred (400) new residential dwelling units per calendar year; provided, however, that new residential dwelling units constructed within the Transit Villages Planning Area shall be exempt from such annual limitation. In any given year, if less than four hundred units are approved or constructed outside of the boundaries of the Transit Villages Planning Area, that unused number of dwelling units may not be carried forward to any future year."
- Section 5. The subsection entitled "Measure N" in Section 4.1 of the City of Redlands General Plan, entitled "Growth Management," is hereby amended to read as follows:
- "Measure N, a growth control ordinance that amended the previous growth management measure (Proposition R), was approved by the voters in 1987. The measure limits the development of residential dwelling units to 400 units per calendar year. Of the 400 units, 50 units are, by

resolution, reserved for single-family homes, duplexes, triplexes, and four-plexes on existing lots, with the remainder to be allocated according to a point system which emphasizes design amenities. The measure also restricts changing land designations or zoning to a higher density than Rural Estate (R-E) for those lands designated as urban reserve agricultural on June 1, 1987, and limits development on steep slopes.

In March 2020, the voters approved an initiative ordinance by which Measure N and Proposition R were amended to exempt development within the geographical area of the City designated as the Transit Villages Planning Area, as depicted in Figure 4.2-1, from the provisions of both Measure N and Proposition R."

Section 6. The last sentence under the subsection "Measure U" in Chapter 4 of the City of Redlands General Plan, entitled "Measure N," is hereby amended to read as follows:

"Certain types of development are exempted from Measure U, including development on existing lots of record, remodeling of existing single-family homes, development related to rail stations, and development projects Downtown and development within the geographical area of the City designated as the Transit Villages Planning Area, as depicted in Figure 4.2-1."

Section 7. The subsection entitled "Growth Management and Land Use Elements" of Chapter 5 of the Housing Element of the City of Redlands General Plan is hereby amended to read as follows:

"The Growth Management Element grew out of the first growth management voter initiative, Proposition R, which Redlands voters passed in 1978. Redlands' voters subsequently passed various other voter initiatives regarding growth management in 1987, 1997, and 2020."

Section 8. The subsection entitled "Annual Development Limitation and Recent Growth" of Chapter 5 of the Housing Element of the City of Redlands General Plan is hereby amended to read as follows:

"Proposition R was amended by Measure N (a zoning ordinance) in 1987; this policy restricts the development of residential dwelling units to 400 units a year within the City, and the extension of utilities to 150 units per year outside the City limits (within the Sphere of Influence, and therefore in the County of San Bernardino's jurisdiction). Of the 400 units within the City, 50 are, by resolution, reserved for single family homes, duplexes, triplexes and four-plexes on existing lots; the remainder are allocated on a point system, which emphasizes design amenities. (This point system is described in the Residential Development Allocation section that follows.)

Measure U, adopted by the voters in 1997, further articulated growth management policies. This General Plan Amendment reinforced and modified certain provisions of Measure N, adopted Principles of Managed Growth, and reduced the development density of San Timoteo and Live Oak canyons by creating a new land use category: Resource Preservation. Measure U has a negligible effect on the ability of the City to accommodate future residential development because it concerns an area of the City with steep hillsides, natural resources, and other

conditions that would limit the development potential of this part of Redlands, regardless of governmental controls. In addition, under Measure U, no land designated by the General Plan as Urban Reserve as of June 1, 1987, is to be re-designated for a higher density than the RE designation as the same existed on June 1, 1987 unless specified findings are made by a four-fifths vote of the City Council.

Moreover, an initiative ordinance adopted by the voters in March 2020 exempts development within the geographical area of the City designated as the Transit Villages Planning Area from the provisions of Proposition R, Measure N, and Measure U.

Growth management measures were originally adopted in response to rapid residential development during the 1980s, when 30 percent of the current housing stock was constructed in a single decade. This pace of development was an aberration in the City's development history and would not likely be repeated even without growth management. From April 2000 to January 2013, about 1,913 housing units, or about 147 per year, were added to the City's housing stock. This is much less than the maximum permitted under Measure U. Under the present growth management system, the City's housing supply could expand by 12 percent over eight years (400 units per year between 2014 and 2021); although a third less than the pace of development during the 1980s, even this growth rate is unlikely. Moreover, the City's housing supply could expand by an even greater percentage due to various categories of development exempt from Measure U."

Section 9. The first paragraph of the subsection entitled "Housing Type Balance" of Chapter 5 of the Housing Element of the City of Redlands General Plan is hereby amended to read as follows:

"Measure U, in place since 1997, also amended the Redlands General Plan Land Use Element to "plan for" a housing mix of 75 percent single-family and 25 percent multi-family dwelling units at buildout. The City Council has adopted a clarification of this policy that further adjusts these numbers by determining that "for-sale" condominiums (which are considered multi-family dwellings by the Census and the Department of Finance) will be considered single-family dwellings for purposes of this calculation. In addition, the City Council has further clarified that development within the Transit Villages Planning Area as depicted in Figure 4.2-1 will not be factored into the "housing mix" referenced above."

Section 10. The first paragraph of the subsection entitled "Residential Development Allocation" of Chapter 5 of the Housing Element of the City of Redlands General Plan is hereby amended to read as follows:

"Residential Development Allocation (RDA)

Required by the Growth Management Element, the Residential Development Allocation (RDA) determines which projects may move through the development process to receive building permits. Residential subdivision projects that involve more than four units and that are subject to the provisions of Proposition R and Measure N compete against each other for an allocation of

housing units from the pool of 400 dwelling units allowed each year within the city limits and 150 utility connections permitted in the SOI. The City Council makes allocations four times a year, 117 allocations in each of the first three quarters and the remainder in the fourth. Staff assists applicants in preparing applications. Unused allocations may not be carried forward to the next year. Moreover, a project must obtain at least ninety points in order to receive an allocation."

Section 11. The first paragraph of the subsection entitled "Meeting the RHNA Under Measure U" of Chapter 5 of the Housing Element of the City of Redlands General Plan is hereby amended to read as follows:

"Meeting the RHNA Under Measure U

The growth management system will not constrain Redlands' ability to accommodate its RHNA. During the eight years of the RHNA projection period (January 1, 2014 to October 31, 2021), 2,429 units would need to be accommodated, or about 304 units per year, for Redlands to meet its RHNA. This development rate is feasible under the City's policy, which allows up to 400 units per year within city limits (plus unlimited additional SRO and congregate care facilities, in addition to unlimited development within the geographical area of the City designated as the Transit Villages Planning Area, which is exempt from the provisions of Proposition R, Measure N, and Measure U)."

Section 12. Item number 7.9-4 of the subsection entitled "Additional Programs" of Chapter 7 of the Housing Element of the City of Redlands General Plan is hereby deleted in its entirety.

Exhibit "A"

Figure 4.2-1

Source: Cify of Redlands, June, 2019

Exhibit "B"

Exhibit N-1

