



City Council

Susan Candell, Mayor
Teresa Gerringer, Vice Mayor
Carl Anduri, Council Member
Gina Dawson, Council Member
One Vacancy

Date: July 30, 2021
To: Interested Parties
From: Sarah Allen, Assistant Planning Director, City of Lafayette
Subject: Notice of Preparation of a Draft Environmental Impact Report for the City of Lafayette
6th Cycle Housing Element Update and Announcement of a Public Scoping Meeting

PUBLIC COMMENT PERIOD: August 2, 2021 – September 2, 2021

PUBLIC SCOPING MEETING: August 16, 2021, Planning Commission

Notice of Preparation

The City of Lafayette will be the Lead Agency to prepare an Environmental Impact Report (EIR) for the City of Lafayette 6th Cycle Housing Element Update (herein after referred to as the “proposed project”) in compliance with the requirements of the California Environmental Quality Act (CEQA). Pursuant to CEQA, the Lead Agency (City of Lafayette) must issue a Notice of Preparation (NOP) to inform trustee and local agencies, as well as the public, that an EIR is being prepared, and to seek input on the scope and content of the EIR. Any agencies with jurisdiction over the proposed action will need to use the EIR prepared by the City when considering their own approval action and should comment on information germane to the agency’s statutory responsibilities. The EIR will evaluate the potential environmental impacts of the proposed project and recommend mitigation measures for any significant impact, as required. No Initial Study has been prepared. Please send comments on the scope of the EIR to the address shown at the end of this Notice. Due to the time limits mandated by State law, your response must be sent at the earliest possible date, but not later than 30 days after the commencement of the comment period noted above.

Project Location

The City of Lafayette is located in the San Francisco Bay Area in the East Bay Region, approximately 22 miles east of downtown San Francisco and about four miles west of Walnut Creek (latitude 33°53’31”N, longitude 122°07’07”W). The City was incorporated in 1968, and encompasses approximately 15 square miles with a population of about 26,000 people. The City boundaries and regional location of the City are shown in **Figure 1**. The geographic extent of environmental analysis included in the EIR for the proposed project will be the City limits.

The City includes approximately 10,000 residential dwelling units and an active downtown with a small-town character. Lafayette is noted for its high quality of life with top rated schools, low crime rate, clean air, mild climate, and oak tree-studded hills. The City is located between Berkeley and Walnut Creek, has its own Bay Area Rapid Transit (BART) station, and is only a 25-minute BART ride from San Francisco. The City’s predominant land use is residential; the City also maintains parks within the City limits and is home to the 1,054-acre Lafayette Reservoir Recreational Area, which is maintained by the East Bay

Municipal Utilities District (EBMUD). The City also borders the 6,255-acre Briones Regional Park, which is managed by EBMUD.

State Route 24 (SR-24) passes through the middle of the City in an east-west direction. SR-24 is a major regional freeway that begins in Oakland and then passes through the Berkeley Hills via the Caldecott Tunnel before emerging near Orinda. The freeway then passes through Lafayette before merging with Interstate 680 (I-680) in Walnut Creek, east of Lafayette. SR-24 through Lafayette is generally configured as an eight-lane freeway, with four travel lanes in each direction and BART's Yellow Line (Antioch-SFO/Millbrae) occupying the freeway's median.

The City's downtown and principal commercial area lies south of SR-24, and generally lies alongside Mount Diablo Boulevard, which is an east-west roadway that roughly parallels SR-24. Areas lying north of SR-24 are predominately occupied by residential uses, though the extensive parking area for the Lafayette BART Station also lies north of the freeway. **Figure 2** shows the distribution of existing General Plan land use designations in the City, which roughly correspond to the distribution of existing land uses.

Project Background

Purpose of the Housing Element Update

State law requires the City to have and maintain a general plan with specific contents in order to provide a vision for the City's future, and inform local decisions about land use and development, including issues such as circulation, conservation, and safety. The City's current General Plan was adopted in 2002 and contains eight chapters or "elements," including one about housing.

The City is undertaking a community process to update its current General Plan, and expects the community engagement, planning, review, and approval process to take several years. In the interim, however, State law specifically requires the City to update the chapter or "element" of its General Plan regarding housing by January 31, 2023, while making any changes to other elements of the General Plan needed to maintain internal consistency, and undertaking related changes to the City's zoning ordinance. The Housing Element was last updated in 2015, and covers the "5th Cycle" housing element planning period from 2014 through 2022. Because this period is drawing to a close, State law [Government Code Section 65588] requires the City to update its Housing Element and provides a deadline of January 31, 2023. In accordance with State law, the planning period for the updated Housing Element will extend from January 31, 2023 to January 31, 2031.

In addition, California Assembly Bill (AB) 2923 from 2018 requires the City to up-zone BART-owned properties around its station to accommodate residential development at densities of at least 75 dwelling units per acre (du/ac) by July 2022.

In order to comply with these State mandates, the City is proposing to update its Housing Element in advance of the rest of the General Plan via the City of Lafayette 2023-2031 Housing Element Update (HEU), which will be the subject of the EIR that this NOP is addressing. The primary purpose of the HEU is to comply with the requirements of State law by analyzing existing and projected housing needs, and

updating goals, policies, objectives, and implementation programs for the preservation, improvement, and development of housing.

Regional Housing Needs Allocation

In addition to including goals, policies, and implementation programs regarding housing issues, housing elements must include an inventory or list of housing sites at sufficient densities to accommodate a specific number of units at various levels of affordability assigned to the City by the Association of Bay Area Governments (ABAG). This assignment is referred to as a Regional Housing Needs Allocation (RHNA).

The City's current Housing Element provides sites sufficient to accommodate the 2015 RHNA allocation of 400 units, along with a "buffer" of 392 units, meaning the current Housing Element identifies enough land zoned at appropriate densities to accommodate a total of 792 units.

A buffer is necessary to ensure that if one or more of the identified sites are developed at low densities or with non-housing uses, there is remaining capacity to ensure an ongoing supply of sites for housing during the eight-year-cycle of the Housing Element. If there were no buffer, then the City could be obliged to identify new sites and amend the Housing Element prior to the end of the cycle if an identified site were developed with a non-housing project or developed at a density less than that anticipated in the Housing Element.

The need for a substantial buffer is even more important during this cycle because of new rules in the Housing Accountability Act's "no net loss" provisions. SB 166 (2017) requires that the land inventory and site identification programs in the Housing Element always include sufficient sites to accommodate the unmet RHNA. This means that if a site identified in the Element as having the potential for housing development to accommodate the lower-income portion of the RHNA is actually developed for a higher income level, the locality must either: 1) identify and rezone, if necessary, an adequate substitute site; or 2) demonstrate that the land inventory already contains an adequate substitute site. An adequate buffer will be critical to ensuring that City remains compliant with these provisions.

On December 18, 2020, ABAG released its Draft Regional Housing Needs Assessment Methodology and Subregional Shares document (ABAG, 2020) which articulated ABAG's recommended methodology for the distribution of the regional housing need issued by the State Department of Housing and Community Development (HCD). HCD allocated 441,176 housing units to the nine-county Bay Area ("bulk allocation"). Based on the draft methodology, which has since been adopted and approved by HCD, Lafayette's Draft RHNA is 2,114 units, distributed among four income categories: very-low income, low income, moderate income and above moderate income.

Table 1 shows the Draft RHNA's breakdown of required units in the City across the four income categories.

TABLE 1
CITY OF LAFAYETTE DRAFT RHNA ALLOCATIONS BY INCOME CATEGORIES^a

Income Group				Total
Very Low Income (VLI)	Low Income (LI)	Moderate Income (MOD)	>Moderate Income (>MOD)	
599	344	326	845	2,114

NOTES:

a The draft allocations are subject to change until finally adopted by the Association of Bay Area Governments (ABAG) in December 2021.

SOURCE: Staff Report to City Council and Planning Commission, *Housing Element Update, CEQA Review, and Draft Growth Scenarios*, November 30, 2020.

The figures in the table above are higher than in the past Housing Element in part because the region's bulk allocation of 441,176 units from the HCD is more than double the last Housing Element cycle's allocation, which was approximately 189,000 units.

The City is currently appealing its Draft RHNA allocation. The outcome of this appeal and the City's Final RHNA allocation will not be known until late in 2021, and the City has elected to initiate preparation of the HEU EIR using the draft allocation to allow ample time for analysis of various planning scenarios, community input, and environmental review.

Based on HCD and ABAG RHNA requirements, if the final RHNA remains at 2,114 units, this means that the City's HEU will identify housing sites for that many units plus a "buffer" of additional units at appropriate densities. The City will also need to rezone the identified sites if/as necessary to accommodate the new units and amend other elements of the General Plan (for example the Land Use and Safety Elements) as needed to ensure that the General Plan as a whole remains consistent with the HEU.

It's important to note that while the law requires the HEU to include an inventory of housing sites and requires the City to zone those sites for multifamily housing, the City is not required to actually develop housing on these sites. Future development on the identified sites will be up to the property owners and will be largely dependent on market forces and (in the case of affordable housing) available subsidies.

Requirements of AB 2923

AB 2923, adopted by the Legislature and signed by the Governor in 2018, requires local jurisdictions with BART stations to up-zone the land owned by BART around their stations to a minimum density of 75 dwelling units per acre (du/acre) by the deadline of July 1, 2022. In the case of Lafayette, BART owns approximately 11 acres of parking lots at the BART station north of SR-24 that are subject to this requirement. The HEU, with its inventory of housing sites, is intended to meet requirements of AB 2923.

Project Description

The HEU project analyzed in the EIR would include adoption of General Plan amendments that would add or modify goals, objectives, policies, and implementation programs related to housing that would apply citywide, and that would address the maintenance, preservation, improvement, and development of housing in the City.

In addition, as discussed above, the HEU would identify specific sites appropriate for the development of multifamily housing, and the City would rezone those sites if/as necessary to meet the requirements of State law. Both the existing and proposed sites that can accommodate development of multifamily housing are located in a subset of the City, mostly in areas within and around downtown. These areas appear in **Figure 3** as the “study areas” for the Housing Element’s housing sites inventory, which is described in Section 3.5.1 below.

Based on the draft RHNA allocations, the HEU will need to plan for at least an additional 2,114 dwelling units plus a “buffer” which has been initially identified at 50 percent or about 1,000 units for planning purposes. The EIR will likely evaluate a slightly higher buffer in order to consider a maximum build-out scenario for purposes of the CEQA evaluation. The final buffer size will be determined by the City Council upon adoption of the HEU. While the City may retain and reuse some sites in the current Housing Element that have not been built-upon, it is clear that Lafayette will also need to identify and rezone new sites not previously identified in order to meet the state mandates.

Study Areas for the Housing Sites Inventory

The HEU will include a housing sites inventory with sufficient existing and new housing sites at appropriate densities to meet the City’s RHNA requirement plus an ample buffer, and to meet the requirements of AB 2923. To determine where these potential housing sites will be and what densities will be required, City planners have identified a number of subareas in the City where housing sites could potentially be located. These areas are numbered 1 through 9 and 13 in **Figure 3**, and are described below. (Note that Areas 10, 11, and 12 are no longer being considered pursuant to City Council direction).

Downtown (Areas 1 through 6)

The Downtown subarea generally lies astride Mount Diablo Boulevard, and is comprised of that portion of the City that is a part of the Downtown Specific Plan (DSP) and several peripheral areas. The City’s principal commercial uses are located in this area, with some residential uses scattered within. This subarea contains a number of existing zoning designations, many of which are designated to accommodate multi-family housing in conjunction with commercial uses. Most of the Downtown area’s zoning designations, for instance, allow residential dwelling units on upper floors above commercial uses.

BART Properties and Adjoining Parcels (Area 7)

This subarea is located north of SR-24 and is comprised of the parking lots for the Lafayette BART Station and several adjoining parcels lying east of the parking lots. The two BART-owned parking lot parcels are bisected in a north-south direction by Oak Hill Road. These parcels are currently zoned R-10. The R-10 zoning designation provides for single-family residences on lots with a minimum lot size of 10,000 square feet, with second units allowed with an accessory dwelling unit (ADU) permit.

Deer Hill Road Corridor (Area 8)

This subarea includes a series of parcels generally lying north of SR-24 and Deer Hill Road, along with a number of additional parcels lying further to the west. This area is almost wholly developed with residential uses. This subarea contains several existing zoning designations, many of which are designated to accommodate varying densities of residential housing.

DeSilva Sites (Area 9)

This subarea is located near the western end of Mount Diablo Boulevard, and is comprised of the several parcels lying west and south of Mount Diablo Boulevard adjacent to and across from the Oakwood Athletic Club. The parcels west of the Athletic Club are zoned MRA (a multi-family designation) and LR-10 (a single-family residential designation with a minimum lot size of 10 acres), with the MRA-designated parcel currently occupied with multi-family residential housing. The parcels lying south of Mount Diablo Boulevard across from the Athletic Club are currently vacant and are zoned LR-10.

Dewing/Brook/Rosedale (Area 13)

This subarea is located south of Downtown and is almost wholly comprised of existing residential uses at varying densities.

Distribution of Housing Sites

Various possible distributions of housing sites and densities in the study areas described above have been and will be considered for inclusion in the HEU by the community, planning staff, the Planning Commission, and the City Council. The Distributed Sites approach represents the “Project” that will be analyzed in the EIR, and a Downtown-Only approach will be analyzed as an alternative at an equal level of detail in the EIR in order to assess the impacts of the HEU if all of the housing sites were located in that area.

The **Project with Distributed Sites** and the **Downtown-Only Alternative**, each identify specific sites that could be included in the Housing Sites Inventory and rezoned to accommodate multi-family housing development at various densities in order to meet the project objectives. The two approaches share some features as follows:

- To be conservative, both approaches include sites and densities sufficient to meet the draft RHNA of 2,114 plus an initial buffer of around 60 percent to consider a maximum build-out scenario for purposes of CEQA evaluation. The final buffer size will be determined by the City Council upon adoption of the HEU.
- Both approaches include sites in the Downtown area that are identified in the City’s current Housing Element that have not yet been redeveloped.
- Both approaches include the assumption that continued development of individual Accessory Dwelling Units (ADUs) in residential neighborhoods throughout the City will yield an estimated 240 dwelling units over the life of the new Housing Element.
- Both approaches include sites at densities substantially above 20 dwelling units per acre, which is the minimum density “deemed appropriate” in State law to accommodate housing for lower income households in a city of Lafayette’s size (Government Code Section 65583.2(c)(3)(B)).
- Both approaches assume that the number of units that could be accommodated on each residentially zoned site is somewhat less than 100 percent of the maximum “mathematical capacity” of the site, instead assuming approximately 85 percent.¹

¹ This is consistent with City staff’s research of housing developments in the City over the last decade or so, which demonstrates that new multi-family projects in the downtown have, on average, built out at 85 percent of the maximum mathematical

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- Pursuant to the direction contained within the Downtown Specific plan adopted in 2012, both approaches assume that sites along Mount Diablo Boulevard would include ground floor commercial space and therefore would accommodate approximately 75 percent of their theoretical residential capacity.

Again, it is important to note that the identification of housing sites in the City's Housing Element does not mean that the City or someone else will necessarily develop housing on those sites at the planned unit count or level of affordability. Instead, the identification of housing sites is intended to plan for and encourage housing, but its development by property owners and developers is largely dependent on market forces and (in the case of affordable housing) available subsidies.

Project with Distributed Sites

The Distributed Sites approach would accommodate growth by including sites throughout the Downtown (though at lower densities than the Downtown Only Alternative, below), the BART sites, the Deer Hill Road corridor, the neighborhoods adjacent to and immediately south of the Downtown Core Area, plus the DeSilva Sites at the west end of Mount Diablo Boulevard (collectively, all of the areas shown in **Figure 3**).

Sites included in the City's existing Housing Element that have not been developed would be retained, and allowable densities on these sites would be increased. New sites would be identified in Downtown and planned for similar densities, and aside from the BART site, which would allow 75 units per acre consistent with AB 2923, no sites would allow densities higher than 50 units per acre. Sites in the Deer Hill Corridor (Area 8) and the DeSilva Sites (Area 9) would be limited to 20 units per acre, and the Dewing/Brook/Rosedale area (Area 13) would remain at its existing density of 35 units per acre. Sites included in the Project with Distributed Sites are shown in **Figure 3** and summarized below in **Table 2**. Note that these figures are based on initial assumptions made to study the breadth of potential impacts. The densities are preliminary and are subject to refinement as the process moves forward.

Downtown-Only Alternative

The Downtown-Only Alternative would accommodate almost all of the HEU's growth within the existing limits of the Downtown commercial districts (areas 1 through 6 in **Figure 3**). To do this, sites included in the City's existing Housing Element that have not been developed would be retained, additional sites would be added, and allowable densities would increase from 35 units per acre to approximately 115 units per acre. If more sites in the Downtown are added to the inventory, it could be expected that the maximum density needed to accommodate the units would be reduced from 115 units per acre. The planning areas encompassed by the Downtown Only Alternative are shown in **Figure 4**, and summarized in **Table 3**, below. Note that these figures are based on initial assumptions made to study the breadth of potential impacts. The densities are preliminary and are subject to refinement as the process moves forward.

capacity and have not taken advantage of State density bonuses. This is largely a function of the fact that portions of any given development parcel must be used to accommodate non-housing components such as parking and circulation features, setbacks, common areas, and the like.

**TABLE 2
PROJECT WITH DISTRIBUTED SITES**

Area Name	Sites Acreage ^a	Existing Zoning	Allowable Density		Unit Yield ^b
			Existing	Proposed	
1. Downtown West End (north)	5.29	MRA, C, P-1	35	50	198
2. Downtown West End (south)	2.75	C	35	50	103
3. Downtown Core (north)	4.73	RB, SRB, P-1	35	50	177
4. Downtown Core (south)	0.78	RB, SRB, P-1	35	50	29
5. Downtown East End (north)	12.53	C-1	35	50	470
6. Downtown East End (south)	4.19	C-1	35	50	157
7. BART	13.04	R-10	4	75	831
8. Deer Hill Corridor	17.85	R-10, R-20, D-1, P-1	4, 2	20	303
9. DeSilva Sites	18.0	LR-10, MRA	0.1, 4	20	306
13.° Dewing/Brook/Rosedale	4.64	MRA, MRO, P-1, MRT, R-10	35	35	138
Total Units					2,714
Scattered Sites ^d					642
Total Inventory					3,356
Effective Buffer					59 %

NOTES:

- a. The estimated combined acreage of opportunity parcels identified as of April 26, 2021 within each sub-area as shown in Figure 3.
- b. Assumes parcels would be built out at 85 percent of the maximum mathematical capacity and 75% for parcels fronting Mt. Diablo Blvd.
- c. Areas 10, 11, and 12 are no longer being considered pursuant to City Council direction on April 26, 2021
- d. Scattered sites includes anticipated Citywide development of single-family units, anticipated accessory dwelling units, and known opportunity sites outside of the study areas.

SOURCE: City of Lafayette, July 2021

**TABLE 3
DOWNTOWN ONLY ALTERNATIVE**

Area Name	Opportunity Sites Acreage ^a	Existing Zoning	Allowable Density		Unit Yield ^b
			Existing	Proposed	
1. Downtown West End (north)	5.29	MRA, C, P-1	35	115	456
2. Downtown West End (south)	2.75	C	35	115	237
3. Downtown Core (north)	4.73	RB, SRB, P-1	35	115	408
4. Downtown Core (south)	0.78	RB, SRB, P-1	35	115	67
5. Downtown East End (north)	12.53	C-1	35	115	1,081
6. Downtown East End (south)	4.1	C-1	35	115	361
Total Units					2,611
Scattered Sites ^c					782
Total Inventory					3,393
Effective Buffer					61 %

NOTES:

- a. The estimated combined acreage of opportunity parcels identified as of April 26, 2021 within each sub-area as shown in Figure 3.
- b. Assumes parcels would be built out at 85 percent of the maximum mathematical capacity and 75% for parcels fronting Mt. Diablo Blvd.
- c. Scattered sites includes anticipated Citywide development of single-family units, anticipated accessory dwelling units, and known opportunity sites outside of the study areas.

SOURCE: City of Lafayette, July 2021

As shown in **Table 3**, approximately half of the total of 2,611 units would be accommodated on sites at the east end of Downtown (Areas 5 and 6) based on currently identified opportunity sites, with the remainder spread throughout Areas 1 through 4. All of the sites would be located south of the freeway, and the BART site and the Deer Hill parcels north of the freeway would not be rezoned.

Potential Environmental Effects of the Housing Element Update

The environmental analyses and technical sections presented in the Draft EIR will describe the existing conditions in the City. Relevant federal, State, and local laws and regulations, including the current City of Lafayette General Plan goals and policies, will be summarized.

The methods of analysis and any assumptions that are important to understand the conclusions of the analysis will be described, along with the standards of significance used to determine impacts of the project. The standards for determining impact significance will be based on existing State and federal rules, regulations, and laws, City ordinances and policies, and past practices. The standards will be used to determine whether an impact is significant and for the effectiveness of recommended mitigation. Feasible mitigation measures will be identified for each significant impact. The description of mitigation measures will identify the specific actions to be taken, the timing of the action, and the parties responsible for implementation of the measure.

At this time, it is anticipated that the following issues/technical sections will be addressed in the EIR:

- Aesthetics/Light and Glare
- Air Quality
- Biological Resources
- Cultural Resources
- Geology/Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise and Vibration
- Population and Housing
- Public Services and Recreation
- Utilities and Service Systems
- Transportation
- Tribal Cultural Resources
- Wildfire

Alternatives

In order to provide a “range of reasonable alternatives” to the Housing Element Update, as required by CEQA Guidelines section 15126.6, the EIR will examine alternatives to the Project, including the required No Project Alternative and the Downtown-Only Alternative described above.

Public Scoping Meeting

The City of Lafayette is hosting a public scoping meeting during the NOP public comment period on **August 16, 2021** during a regularly scheduled Planning Commission Meeting beginning at **7:00pm** via teleconference (Zoom webinar).

To participate and/or listen to the meeting via the Zoom webinar, click **here**.

Webinar ID: 868 1806 5446

Passcode: 222609

Telephone: 1 669 900 9128

To view the meeting on YouTube, click **here**.

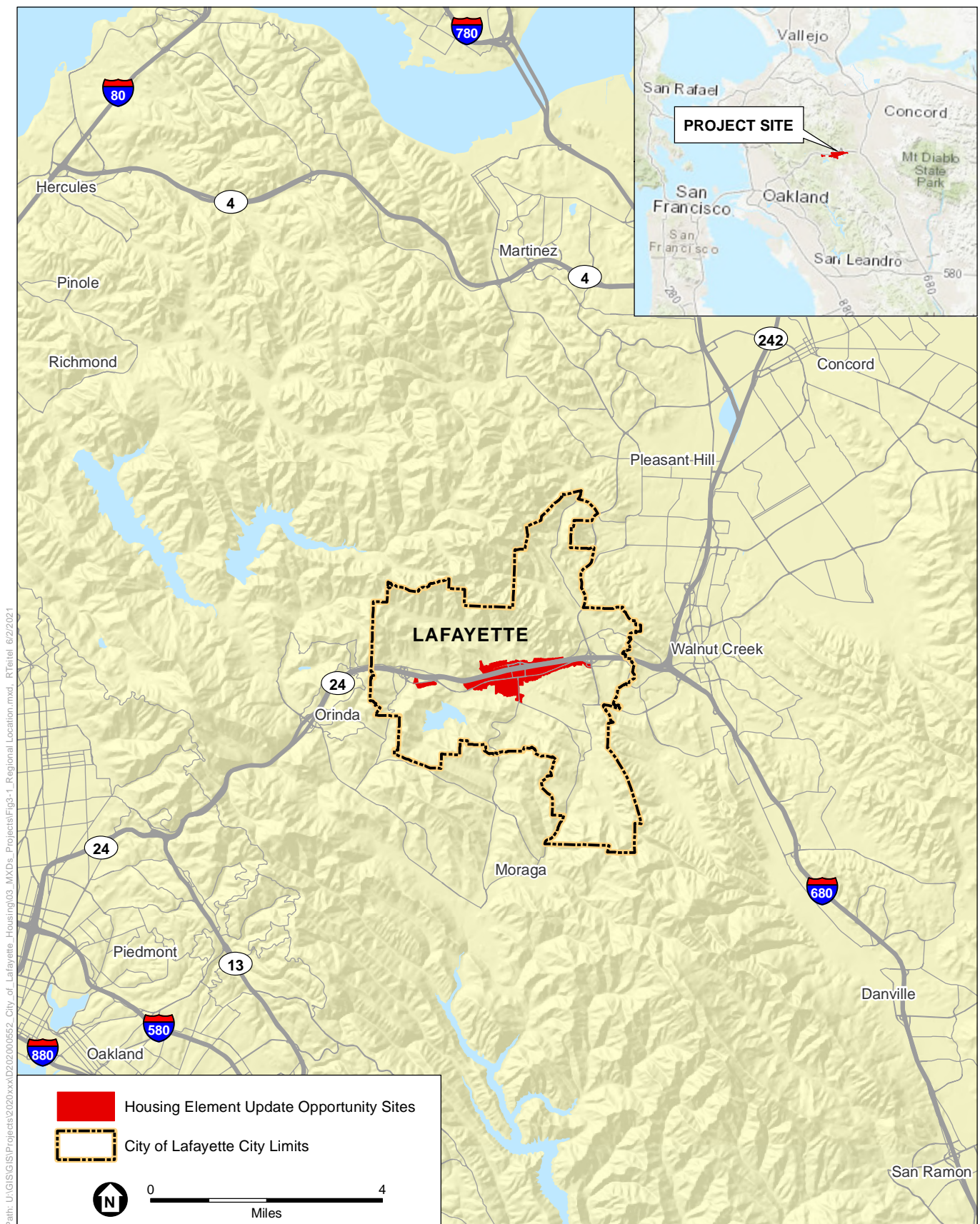
All interested parties are invited to attend and provide input on the scope of the EIR. Written comments should be provided via email to planner@lovelafayette.org or mailed to 3675 Mt. Diablo Boulevard, Suite 210, Lafayette, CA 94549.

Submitting Comments

Comments regarding the scope of the EIR analysis are invited from all interested parties to ensure the full range of project issues of interest are addressed. Written comments (emails are acceptable) concerning the EIR for the proposed project should be directed to Sarah Allen, Assistant Planning Director (contact information below) no later than **5:00 pm on September 2, 2021**. All comments will be considered during preparation of the Draft EIR, which will be circulated for public review, and comments received on the Draft EIR will also be considered and responded to prior to preparation of a Final EIR and consideration and approval of the HEU.

If you have any questions regarding the proposed Housing Element Update or the EIR process, please contact Sarah Allen at the contact information listed below.

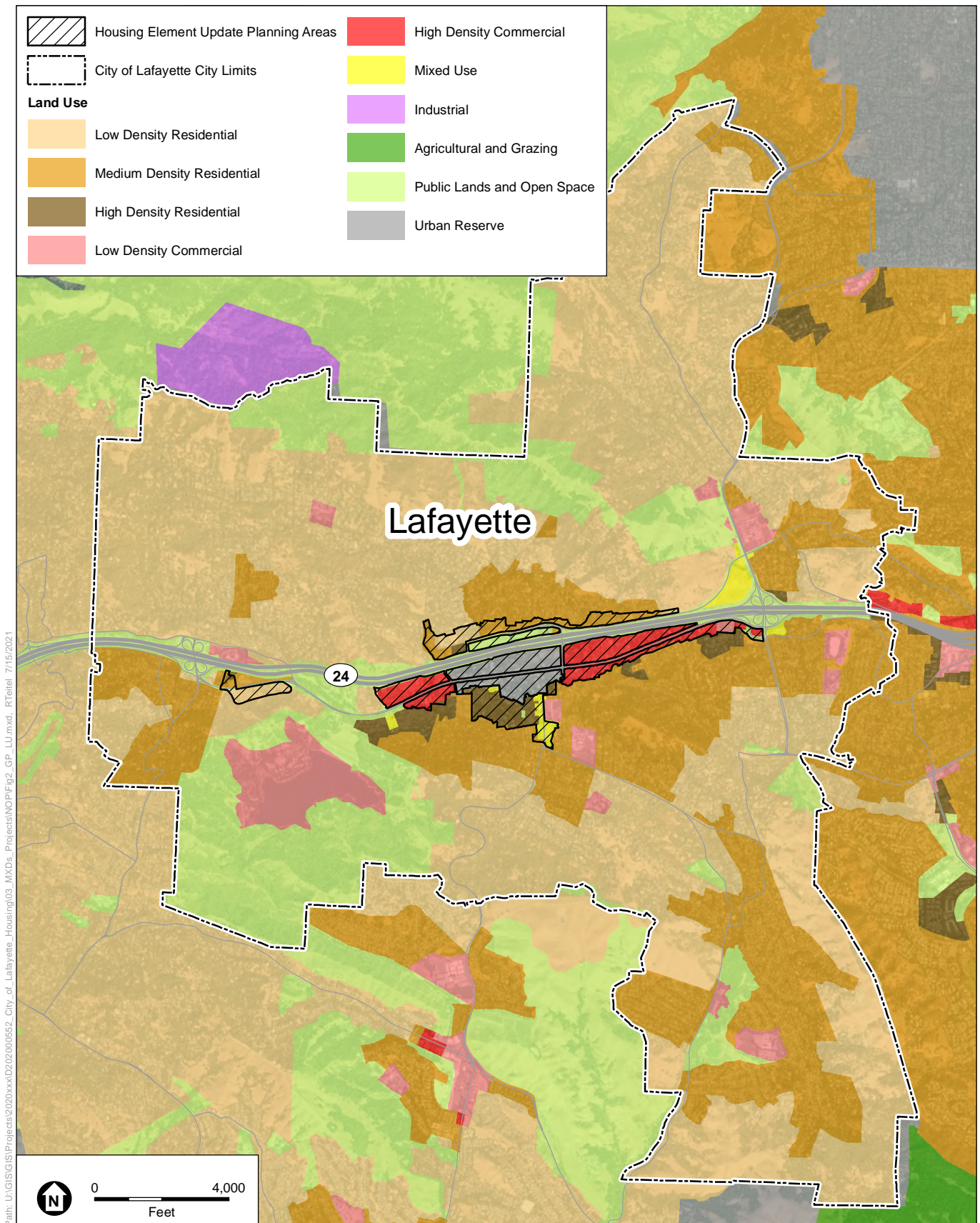
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SOURCE: ESA, 2021; ESRI Data, 2021

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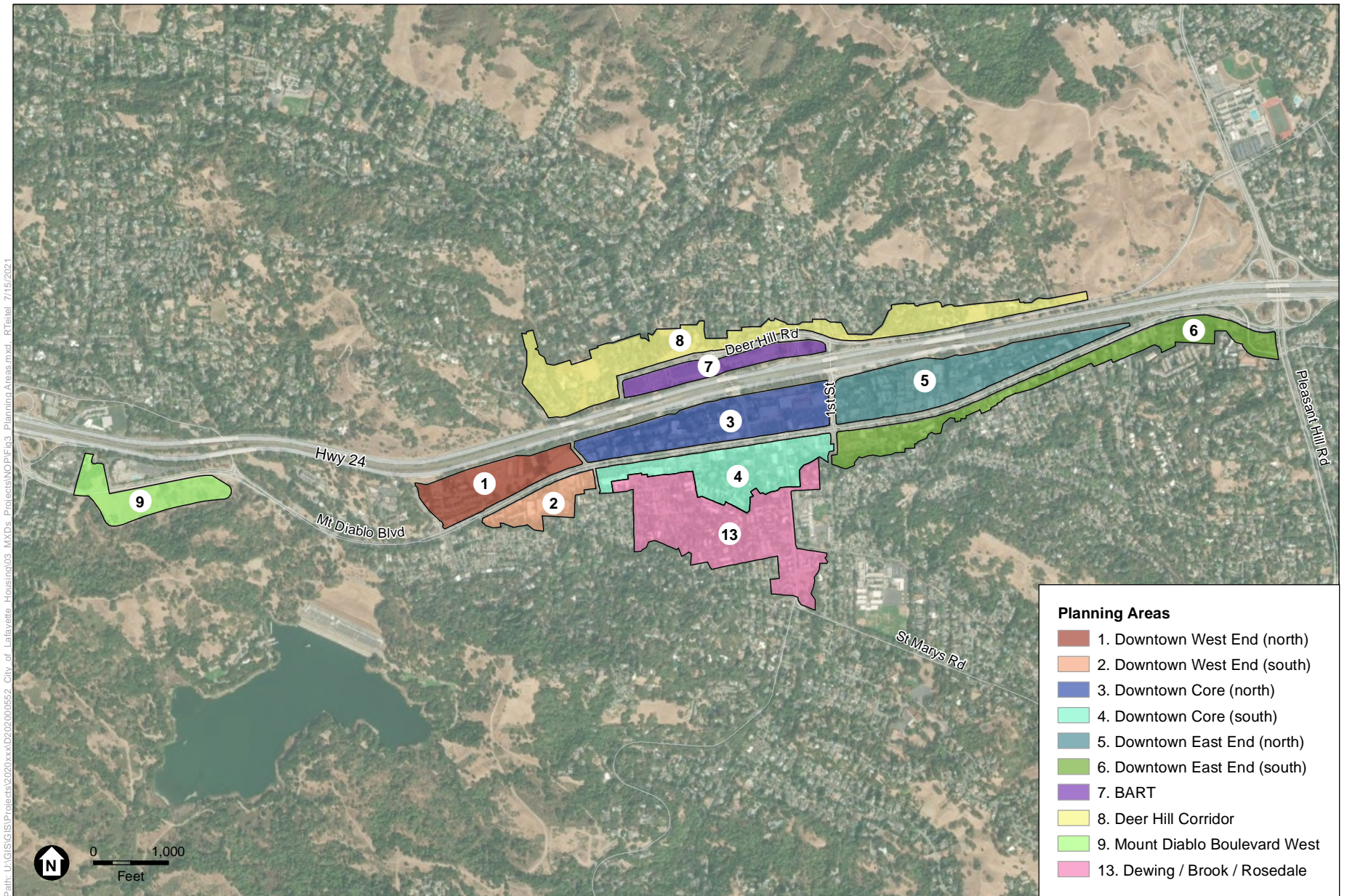
Figure 1
Regional Location



SOURCE: Contra Costa County

Lafayette Housing Element Update EIR Notice of Preparation

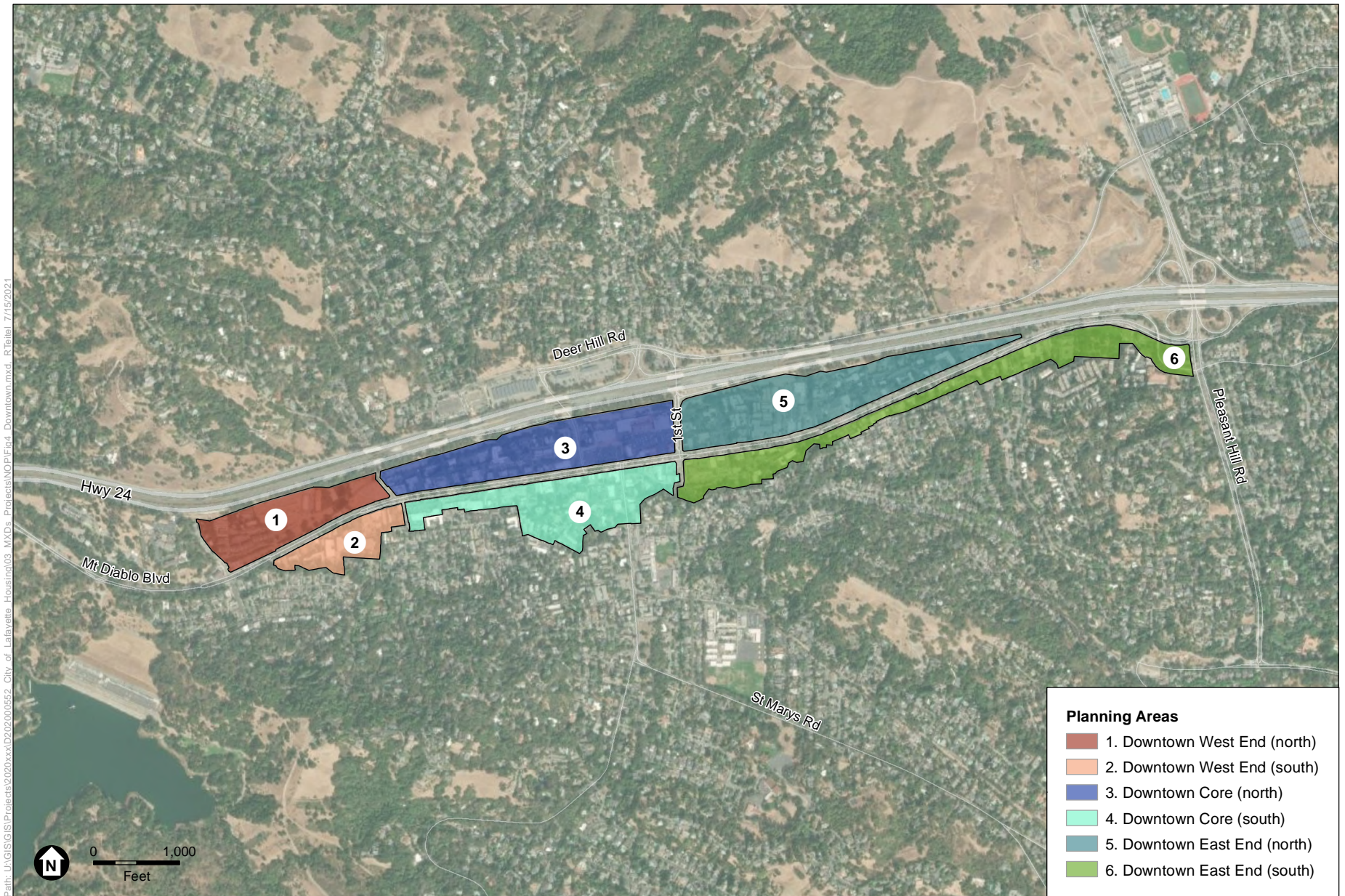
Figure 2
Existing General Plan Land Use Designations



SOURCE: City of Lafayette, 2021

Lafayette Housing Element Update EIR Notice of Preparation

Figure 3
Housing Element Update Planning Areas



SOURCE: City of Lafayette, 2021

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Figure 4
Downtown Only Alternative