

Proposed Supportive Housing at 2460 Main Street (change in use from motel)

Existing Use: 27 room motel

Proposed change in use (Minor use permit): *The proposal is for supportive housing for clients with drug or alcohol dependency and is not a homeless shelter. Supportive housing, which has a broader definition, is a use allowed 'by right' in every residential zone and some commercial zones in Morro Bay, so it is an administrative decision, and does not require review and approval by either the City's Planning Commission or City Council. To provide guidance to approval decisions, the State of California has created rules aimed at insuring that jurisdictions do not arbitrarily disapprove or create barriers to supportive housing and other much needed similar housing/service programs. Morro Bay's recently approved Housing Element included goals related to creating opportunities for housing and services for people in need of help.*

Supportive housing is allowed in all residential zoning districts and many commercial/mixed-use zoning districts, including the subject property zoning MCR/R-4/SP. Also See table H-40 below for a listing of zoning classifications where supportive housing are allowed. The definition of Supportive Housing found in the City Zoning Code is provided below:

17.12.626 Supportive Housing

"Supportive housing" means housing with no limit on length of stay, that is occupied by a target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live, and, when possible, work in the community.

The requirements for processing supportive housing projects stem from Assembly Bill 2162 and prohibit jurisdictions from creating restrictions that are not applied to any other residential dwelling of the same type in the same zone. Introductory text from AB 2162 is provided below followed by a link to the complete bill.

State of California Assembly Bill 2162 (excerpt of intent of changes):

AB 2162, Chiu (Approved by the Governor September 26, 2018). Planning and zoning: housing development: supportive housing.

The Planning and Zoning Law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city that includes, among other mandatory elements, a housing element. That law requires the housing element to contain, among other things, an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs and a program that sets forth a schedule of actions during the planning period, each with a timeline for implementation. That law specifies that transitional housing and supportive housing are a residential use of property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

This bill would make a non-substantive change to this requirement.

The Planning and Zoning Law requires the rezoning of sites identified in the inventory of sites by specific deadlines where the inventory does not identify adequate sites to accommodate the need for groups of all household income levels. That law further requires this rezoning to accommodate 100% of the need for housing for very low and low-income households, as specified, on sites zoned to permit owner-occupied and rental multifamily residential use by right during the planning period and defines the term “use by right” for these purposes.

This bill would require that supportive housing be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development meets specified criteria, and would require a local government to approve, within specified periods, a supportive housing development that complies with these requirements. The bill would require that a developer of supportive housing provide the planning agency with a plan for providing supportive services, with documentation demonstrating that supportive services will be provided onsite to residents in the project and describing those services, as provided. The bill would prohibit the local government from imposing any minimum parking requirement for units occupied by supportive housing residents if the development is located within ½ mile of a public transit stop. The bill would specify that its provisions do not (1) preclude or limit the ability of a developer to seek a density bonus from the local government or (2) expand or contract the authority of a local government to adopt or amend an ordinance, charter, general plan, specific plan, resolution, or other land use policy or regulation that promotes the development of supportive housing.

Link to complete AB2162 (2018):

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB2162

From the 2020-2028 Adopted Housing Element

Link to full 2020-2028 Housing Element:

<https://www.morrobayca.gov/DocumentCenter/View/14806/Adopted-Housing-Element-Reso-79-20>

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**Table H-40.
Housing Types Permitted by Zone**

Housing Types Permitted	Zone Districts								
	AG	RA	R-1	R-2	R-3	R-4	CCR	C-1	MCR
Single-Family Dwellings	P	P	P	P	MUP	MUP	P		MUP
Duplexes				P	P	P			MUP
Multifamily Dwellings				CUP	P	P			MUP
Accessory Dwelling Units	P	P	P	P	P	P			
Manufactured Homes	P	P	P	P					MUP
Senior Housing Units								p ¹	
Mobile Home Parks				CUP	CUP	CUP			
Rooming and Boarding House					CUP	CUP			
Residential Care Facilities ²	P	P	P	P	P	P			
Employee Housing (6 or fewer)			P	P	P	P	P	P	P
Employee Housing (36 or fewer)	P	P							
Transitional and Supportive Housing	P	P	P	P	P	P	P		P
Emergency Shelters								P	
Single-Room Occupancy Units								P	P

Source: Morro Bay Zoning Ordinance, accessed 2019

P – Permitted by right; CUP – Conditional use permit required; MUP – Minor use permit required

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Supportive and Transitional Housing

Supportive housing is defined by Section 50675.14 of the Health and Safety Code as housing with linked on-site or off-site services with no limit on the length of stay and that is occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income person with mental disabilities, AIDS, substance abuse or chronic health conditions, or persons whose disabilities originated before the age of 18). Services linked to supportive housing usually focus on retaining housing, living and working in the community, and/or health improvement.

Pursuant to SB 2, transitional and supportive housing shall be considered residential uses and permitted by right in all zones where multifamily and mixed uses are permitted, and subject only to those development standards and restrictions that apply to other residential uses of the same type in the same zone. In 2014 the Morro Bay City Council adopted Ordinance No. 584, which amends the Zoning Ordinance to add the current definition of transitional housing and supportive housing, as stated in this document, and lists these as permitted uses in all zoning districts allowing residential uses.

Policy carried over from previous Housing Element.

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<p>Policy H-8 (Mixed Housing Types) Encourage the mixing of affordable housing throughout the community rather than concentrating affordable units in a few locations.</p>		
<p>Program H-8.1 The City will allow the conversion of older motels to residential use, subject to discretionary review, outside the Visitor-Serving Commercial (C-VS) and Waterfront (WF) zones. Criteria for approving residential uses will be stated in the Zoning Ordinance. These conversions will also receive a priority in the unit allocation list. Responsible Agency/Department: City Council, Planning Division Time Frame: Ongoing; codify criteria by August 2015 Funding: General Fund</p>	<p>In compliance with SB 745, the City Zoning Ordinance includes supportive and transitional housing as a residential use in residential zones and mixed use zones that allow residential uses, with the same review processes as any residential use in that zone—i.e., if a duplex is allowed with an administrative review process, a supportive/transitional housing application would allow the same. An application has been submitted for conversion of an older motel to provide supportive housing. The project has 27 residential units available to a population who needs housing and programs to assist with becoming self-supporting. The program is voluntary. The project is anticipated to be approved in early 2020.</p>	<p>Continue.</p>

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2014-2019 Housing Element Goals, Objectives, Policies and Programs	Status/Effectiveness	Continue/ Amend/ Delete in 2020-2028 Housing Element
<p>Program H-21.1 The City will cooperate with other cities, the County, and other agencies in the development of programs aimed at providing homeless shelters and related services, including medical service for walk-in cases. The City will continue to implement the regional plan to end homelessness entitled "Housing for All: A Plan to End Homelessness." Responsible Agency/Department: Public Services Department Time Frame: Ongoing; meet with homeless service providers and other county jurisdictions annually Funding: General Fund</p>	<p>The 40 Prado Homeless Campus opened in San Luis Obispo in 2018. It is operated by Community Action Partnership of San Luis Obispo (CAPSLO) and provides a regional shelter and a day center and services to homeless people. In Morro Bay, supportive and transitional housing in existing facilities (such as older motels) provides housing for homeless and programs to help educate and rehabilitate residents.</p>	<p>Continue.</p>

New Policies from 2020-2028 Housing Element

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Update zoning regulations to comply with Assembly Bill (AB) 2162 (2018) to allow supportive housing. The Zoning Ordinance will be reviewed to assess whether supportive housing is allowed without discretionary review in all zones that allow multifamily housing or mixed-use development, including nonresidential zones as applicable. If it is determined that the allowed uses in the Zoning Ordinance are not in compliance with AB 2162, the City will revise the allowed uses along with corresponding development standards, as detailed in AB 2162.

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POLICY H-3.2: Special Housing Needs. Promote development of special needs housing, such as transitional, supportive housing for persons with physical, developmental or mental disabilities; farmworker housing; homeless and housing for extremely low-income persons.

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POLICY H-4.3: Community Involvement. Encourage supportive housing and transitional housing operators to assist homeless people to get the help they need to become contributing members of the community. Community involvement includes finding temporary housing opportunities in under-utilized existing housing stock or empty commercial buildings.