

Legislation Text

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For City Council Meeting [December 10, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Administrator

FROM: Matt Schneider, Community Development Director

Karen Peterson, Interim Planning Manager

Request City Council to Approve Submittal of Draft 5th Mid-Cycle Housing Element Update to California State Department of Housing and Community Development **(ACTION)**

BACKGROUND

All California cities are required to adopt and periodically update their Housing Elements as part of their General Plans and submit draft and adopted elements to the California State Department of Housing and Community Development (HCD) for review and determination of compliance with State law.

On December 12, 2017, the City Council adopted the 5th Cycle 2014-2021 Housing Element Update. Because it was submitted to HCD past the statutory deadline, the City is required to submit a draft 5th Mid-Cycle Housing Element Update to HCD by December 30, 2019. Once HCD provides written findings and deems the Mid-Cycle Update meets all statutory requirements, a final Mid-Cycle Update will be presented to the Planning Commission and City Council for consideration and adoption in early 2020.

ANALYSIS/DISCUSSION

The City's consultant has completed the draft Mid-Cycle Housing Element Update (Attachment 1). This draft includes a review and update of all sections of the currently adopted Housing Element to comply with existing State law, including the following sections:

- Housing Needs and Demographics: This section includes updated data on age characteristics, growth trends, race and ethnicity, employment, household characteristics, income and housing costs, special needs groups, homelessness, housing stock characteristics and growth, housing tenure and affordability.
- Housing Constraints: This section includes updated data on market constraints including land prices and availability of land, construction labor and financing costs, and disposition of home loan applications; and governmental constraints including development impact and planning fees.
- Housing Resources: This section discusses the City's progress in meeting its fair share of the

Regional Housing Needs Assessment (RHNA) and evaluates compliance with AB 1397, which strengthened the obligation to identify sites that are appropriate to accommodate the RHNA. An updated land inventory that complies with AB 1397 is reflected in Section 4 and Appendix C (Land Inventory).

- Review of Status of 2014-2021 Planning Programs and Housing Plan: This section evaluates the City's progress in implementing various commitments made in the adopted Housing Element. On November 12, 2019, the City Council authorized a Professional Services Agreement with Kimley Horn and Associates to prepare ordinances that will address three outstanding Housing Element Programs. These items include Program 5.5B to ensure compliance with SB 520 (Reasonable Accommodation), Program 5.4A to ensure compliance with Government Code Section 65915 (Density Bonus), and Program 5.2C to ensure compliance with SB 2 (Emergency, Transitional and Supportive Housing).
- Public Participation: This section discusses recent community outreach and engagement, including workshops on October 29, November 22, and December 3.

Kimley Horn and Associates will present an overview of all of the changes at the City Council meeting on December 10, 2019.

ENVIRONMENTAL IMPACT:

Pursuant to Section 15378 of the California Environmental Quality Act (CEQA), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Approval of a draft policy document is an administrative function and is not a project as defined by CEQA.

GENERAL PLAN CONSISTENCY

The Housing Element and its implementation plan are a required component of the General Plan. This activity is consistent with Goal 6-2, which is to "promote and encourage housing development that adequately meets the needs of all socioeconomic segments of the community and region.

LEGAL REVIEW

The City Attorney has reviewed and approved the staff report for this item.

FINANCIAL IMPACT

Operating Budget Impact

Adopting the Housing Element does not have a direct impact on the City's General Fund. However, the City Council authorized a Professional Services Agreement and two amendments with Kimley Horn and Associates, Inc. in the amount of \$167,000, which includes the preparation of the 5th Mid-Cycle Housing Element Update and preparation of necessary zoning code amendments to ensure Housing Element compliance.

Capital Improvement Budget Impact

There is no capital improvement budget impact.

Licensing

There is no licensing associated with this request.

RECOMMENDATION

Staff recommends the City Council direct staff to transmit the 5th Mid-Cycle Housing Element Update to the California State Department of Housing and Community Development.