COUNTY OF SAN MATEO PLANNING AND BUILDING DEPARTMENT

DATE: March 23, 2022

TO: Planning Commission

FROM: Planning Staff

SUBJECT: EXECUTIVE SUMMARY: Briefing on the 2023-2031 update to the

Housing Element of the County's General Plan.

DISCUSSION

Housing Element Update. The Housing Element is a required component of the County's General Plan, mandated by State Law, and must be updated on a schedule also established by law. The updated Housing Element must be adopted and submitted to the California Department of Housing and Community Development (HCD) by January 2023. The updated Housing Element will not take effect until HCD certifies it as consistent with State law.

Planning and Building Department staff, in collaboration with the Housing Department, Office of Sustainability, Health Department, Office of Community Affairs, and a consultant team shared by multiple jurisdictions, are currently drafting the update, and will be releasing chapters for public review over the next several months. Consistent with State law, the updated Element will include: goals, policies and programs to preserve, improve and develop housing; identification of housing needs for all segments of the community; identification of sufficient developable or redevelopable sites to meet the County's share of regional housing need (the Regional Housing Needs Allocation, or RHNA); a description of constraints to housing development; an evaluation of the current Housing Element, and; new in this housing element cycle, an assessment of how the County's housing policies and programs and identified sites for development affirmatively further fair housing (AFFH).

The updated Housing Element will address all of the components incorporated in the current Housing Element, but for ease of navigation and understanding, the material will be substantially reorganized, and much of the data and analysis in the body of the current Housing Element will be included in appendices.

Regional Housing Needs Allocation and Adequate Sites Inventory. A key component of the Housing Element is demonstration that the County has sufficient developable or redevelopable sites to meet its Regional Housing Needs Allocation. The RHNA is the County's share of overall regional housing need, by income level, as determined by the State of California and the Association of Bay Area Governments. Unincorporated San

Mateo County's RHNA for the current Housing Element period, and the 2023-2031 period, are shown below:

Income Level	RHNA 5 Allocation	RHNA 6 Allocation*	Increase
Very Low Income (50% AMI)	153	811	658 (430%)
Low Income (60% AMI)	103	468	365 (354%)
Moderate Income (80% AMI)	102	433	331 (325%)
Above Moderate Income (120% AMI)	555	1,121	566 (102%)
TOTAL:	913	2,833	1,920 (210%)

The County, like most jurisdictions throughout the state, has a much higher RHNA in the coming Housing Element Period. If the County cannot demonstrate sufficient sites to meet the RHNA, it must commit to programs to increase development potential to address the shortfall; typically, this requires rezoning for higher density residential development (a "rezoning program," to be completed on a state-mandated timeline).

Analysis of the County's ability to meet the RHNA is not yet complete. However, early assessment indicates that existing undeveloped sites alone may be insufficient, but existing sites in combination with pipeline projects already planned and/or underway may suffice. This indicates, however, that in subsequence Housing Element cycles, future rezoning will likely be required.

<u>Public Participation</u>. The updated Housing Element will be based public outreach and participation. The public participation process includes workshops and hearings, online surveys, a project website, an email notification list, and other online tools.

Implementation Actions Since Adoption of Current Housing Element. The County has undertaken a number of actions, many of which are ongoing, to implement policies and programs in the current Housing Element. These include a study of farmworker housing needs, and a program to fund farm labor housing units; updates to the Accessory Dwelling Unit (ADU) regulations and Density Bonus regulations; adoption of new protections for mobile home parks and tenants; initiation of an ADU Amnesty Program; and multiple phases of rezoning in North Fair Oaks.

10. <u>Timeline and Next Steps</u>

- Policies and Programs, Public Release Draft: April 2022
- Adequate Sites Inventory, Public Release Draft: April 2022
- Draft Existing Conditions, Housing Needs, Constraints Analysis: May 2022
- Updated Housing Element, Public Release Draft: May/June 2022
- Planning Commission and Board of Supervisors Hearings: July/August 2022
- Submittal to HCD: August 2022

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COUNTY OF SAN MATEO PLANNING AND BUILDING DEPARTMENT

DATE: March 23, 2022

TO: Planning Commission

FROM: Planning Staff

SUBJECT: Briefing on the 2023-2031 update to the Housing Element of the County's

General Plan.

BACKGROUND

An informational briefing on the ongoing update to the County Housing Element. Planning and Building Department staff, in collaboration with the County Housing Department, and with assistance from various other Departments, is updating the Housing Element of the County's General Plan. Consistent with State law, the amended Housing Element will provide an updated assessment of the County's existing and projected housing needs, identify opportunities and constraints relevant to meeting those needs, evaluate the effectiveness of current housing programs, and develop new policies, programs, and quantified objectives to meet identified housing needs in unincorporated areas for the upcoming 2023 to 2031 Housing Element Cycle.

DISCUSSION

- The Housing Element. The Housing Element is a required component of the County's General Plan, mandated by State Law. State law also mandates specific contents of the Housing Element, which include the following:
 - Goals, policies, quantified objectives and scheduled programs to preserve, improve and develop housing.
 - Identification of existing and projected housing needs for all segments of the community.
 - Identification of adequate sites that are zoned and available in the housing element cycle to meet the County's fair share of regional housing needs at all income levels.
 - A description of constraints on the development of housing.
 - An evaluation of the existing Housing Element.

- A statement of quantified objectives that estimates the number of housing units by income level to be provided for by the end of the Housing Element cycle.
- New in this housing element cycle, a specific assessment of how the County's housing policies and programs and identified sites for development affirmatively further fair housing (AFFH).

The County's current Housing Element, Chapter 7 of the General Plan, is here: https://planning.smcgov.org/sites/planning.smcgov.org/files/documents/files/SMCo %20Adopted%20Housing%20Element%202014-2022%20(12-29-15).pdf

- 2. The Housing Element Update. State law requires all local jurisdictions to periodically update the Housing Element of their General Plan, on a schedule established by the state. The current Housing Element covers the period from 2014 to 2022. The updated Housing Element will, on adoption, replace the existing Housing Element, and will cover the period from 2023 to 2031. Changes to State law replaced the prior seven-year cycle with a new eight-year cycle, to align with various other State programs.
- 3. Adoption and Department of Housing and Community Development (HCD)

 Certification. The County must submit any revision or amendment to the Housing Element to HCD for HCD's review and approval; until certification by HCD, the Housing Element is not legally valid. The Housing Element must be certified by HCD, and adopted by the Board of Supervisors, by January 2023, although there is a subsequent three-month grace period ending in April 2023.
- 4. <u>Collaborative Update Process</u>. Planning and Building Department staff are working with staff from the Housing Department, Office of Sustainability, Department of Health, Office of Community Affairs, and other partners on various components of the Housing Element update. In addition, the County is sharing the service of a consultant with multiple other jurisdictions; the consultant, Baird + Driskell, who manage the County-sponsored 21 Elements collaborative, is with various subconsultants providing assistance on public outreach and participation, technical analysis, fair housing analysis, and other services. ABAG is also providing substantial technical assistance in this update cycle.
- 5. <u>Draft Contents of the Update</u>. The current Housing Element is organized in eleven sections, which collectively address all legally-required components, as well as providing significantly more information.
 - a. <u>Introduction</u>. This section explains the scope and purpose of the Housing Element and its relationship to other County plans and programs.
 - b. <u>Public Outreach</u>. This section describes the County's efforts to maximize public participation and input from all parts of the unincorporated County community in the Housing Element update.

- c. <u>Existing Conditions</u>. This section describes existing conditions in the County, including basic geographic and demographic information, housing conditions, economic conditions, and other current information.
- d. <u>Housing Constraints</u>. This section analyzes potential non-governmental, governmental and infrastructure constraints to housing development in unincorporated areas and summarizes potential constraints Countywide.
- e. <u>Housing Needs</u>. This section assesses current and projected housing needs, both Countywide and in unincorporated areas, related to housing supply, overpayment, overcrowding, rehabilitation, special needs, affordable units at risk of conversion to market rate units, and other factors.
- f. <u>Energy Conservation</u>. This section addresses the County's energy conservation efforts related to housing.
- g. Review of Prior Housing Element. This section evaluates the effectiveness and achievements of the policies/programs from the previous housing element, and makes recommendations on whether to continue, modify, or discontinue each policy/program.
- h. <u>Housing Resources</u>. This section summarizes the resources available to the County to address housing needs.
- i. Adequate Sites Inventory and Analysis. This section presents an inventory of all of the sites in the unincorporated County that could potentially be developed with new housing or redeveloped at higher intensities, and an assessment of the realistic development and/or redevelopment potential of each site.
- j. <u>Housing Goals, Policies and Programs</u>. This section describes the new and continued policies and programs the County will implement to address the County's housing needs, including an implementation timeframe and targets for each policy/program.
- k. <u>Five-Year Quantified Housing Objectives.</u> This section presents the County's goals for new housing production.
- I. <u>Appendix</u>. The Appendix presents additional details on the public outreach process, summaries of public comment, and examples of outreach materials.

The updated Housing Element will address all of these components in substance, but for ease of navigation and understanding, will incorporate much of the technical analysis and data currently included in the body of the Housing Element in appendices, while highlighting the primary goals, policies, and programs of the Housing Element in the body of the Element itself.

6. Regional Housing Needs Allocation and Adequate Sites Inventory. A core component of the Housing Element, and one of the most important legal requirements, is a demonstration that the County has sufficient, realistically developable or re-developable sites to meet its Regional Housing Needs Allocation, or "RHNA." The RHNA is the County's share of overall regional housing need, by income level, as determined by the State of California and the Association of Bay Area Governments, for the Housing Element period. Unincorporated San Mateo County's RHNA for the current Housing Element period, and the 2023-2031 period, are shown below.

Income Level	RHNA 5 Allocation	RHNA 6 Allocation*	Increase
Very Low Income (50% AMI)	153	811	658 (430%)
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TOTAL:	913	2,833	1,920 (210%)

The unincorporated County, like most jurisdictions in the Bay Area and the state, must demonstrate sufficient sites for residential development or redevelopment to meet a substantially greater need than in prior cycles. This assessment of development potential is the "Adequate Sites Inventory" (Chapter 9 of the current Housing Element). If the County cannot demonstrate sufficient sites to meet the RHNA, the County must commit to policies and programs that will increase development potential sufficient to address the shortfall; typically, this requires rezoning various areas for higher density residential development (a "rezoning program" required to be completed on a state-mandated timeline).

Staff is currently analyzing the capacity of existing sites, and a determination of the County's ability to meet the RHNA is not yet complete. However, early assessment indicates that existing, undeveloped sites alone may be insufficient, but existing sites in combination with pipeline projects already planned and/or underway may suffice. This indicates, however, that in subsequence Housing Element cycles, should RHNA numbers continue to equal or surpass those of the current cycle, future rezoning's will almost certainly be required.

7. <u>Changes from Prior Housing Element.</u> The Housing Element will be revised and updated to reflect current conditions, current housing needs, best practices, the requirements of State law, and input received from stakeholders and County residents.

Many changes are straightforward updates to existing Housing Element sections, including demographic, economic, and housing data, assessments of existing conditions, housing resources, and housing needs. Others are more comprehensive revisions, to policies and programs will include removal of completed programs or programs found to be unnecessary or ineffective, continuation or expansion of programs determined to be beneficial, and incorporation of continuing relevant programs initiated since adoption of the prior Housing Element. In addition, the requirements of State law mandate new approaches to various components, including the analysis of adequate sites, and analysis of how the Housing Element further fair housing goals.

- 8. <u>Public Participation</u>. The updated Housing Element will be based public outreach and participation. Public participation includes the following components:
 - <u>Public Workshops</u>. The County participated in multijurisdictional workshops and forums for members of the public and for other stakeholders organized by Baird + Driskell, and has held and will continue to hold various workshops and forums through local community councils and local stakeholder groups.
 - Online Surveys. The County prepared a survey to obtain feedback on the housing issues most critical to County residents, available through the County's website in English and Spanish, and publicized by email and at various forums. Subsequent surveys will be distributed when the draft Housing Element policies and programs and adequate sites inventory are available.
 - Website. The County has maintained a website for the Housing Element update, providing information on housing issues, providing notice of meeting and hearing dates and other key dates and deadlines, and providing access to the current Housing Element, the online surveys, contact information for County staff, and other information. The website is here:

https://planning.smcgov.org/san-mateo-county-housing-element-update-2023-2031.

- <u>Mailing List</u>. The County has maintained a Housing Element Update mailing list for notification and information distribution. Sign-up is available through the website.
- Adequate Sites Inventory. The draft adequate sites inventory will be provided as an online GIS mapping tool, with opportunity for public comment on specific sites, and on the inventory overall.

9. Key Implementation Actions Since Adoption of Current Housing Element

The County has undertaken a number of implementation steps, many of which are ongoing, since adoption of the last Housing Element. These include:

- A study of farmworker housing needs, and a pilot program to fund farm labor housing units.
- Updates to the County's Accessory Dwelling Unit (ADU) regulations.
- Updates to the County Density Bonus Regulations.
- Adoption of comprehensive new protections for mobile home parks and mobile home park tenants.
- Initiation of an ADU amnesty program, to help bring unpermitted amnesty units to safe and habitable status.
- Completion of multiple phases of rezoning to implement the North Fair Oaks Community Plan.
- Expansion of the County's multifamily residential health and safety inspection program.

Because the County's current Housing Element demonstrated sufficient sites to meet the 2014-2022 RHNA, no rezoning program was required in this Housing Element cycle, although the County did undertake multiple significant rezonings to facilitate higher density and transit-oriented development, most significantly in North Fair Oaks.

10. <u>Timeline and Next Steps</u>

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