



COUNTY OF SANTA CRUZ

0211

PLANNING DEPARTMENT

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KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

January 27, 2015

AGENDA DATE: February 24, 2015

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: ACCEPT AND FILE REPORT ON PLANNED TIMELINE AND PUBLIC PARTICIPATION STRATEGY FOR THE COUNTY HOUSING ELEMENT UPDATE

Members of the Board:

The adopted County of Santa Cruz General Plan contains the seven “elements”, or chapters, that are required by State law: Land Use, Circulation, Housing, Conservation, Open Space, Public Safety and Noise; as well as two additional elements that are not mandated: Parks, Recreation and Public Facilities, and Community Design. Of those, only the Housing Element is required by State law to be updated on an established time line. The other elements must continue to adequately reflect community conditions, goals and policies, and the entire General Plan must remain internally consistent as amendments occur, but there is no mandated timeline for updates to the elements or for any comprehensive General Plan update.

The schedule for producing Housing Element updates has periodically been adjusted by the State over the years, but has now settled into an eight-year update cycle which is designed to coincide with the Association of Monterey Bay Government’s (AMBAG’s) preparation of the Metropolitan Transportation Plan (MTP) and regional Sustainable Communities Strategy (SCS). The County’s current Housing Element was completed in 2009 and approved by the Department of Housing and Community Development (HCD) in May of 2010.

The purpose of this letter is to outline a proposed timeline for completing the Housing Element update and for incorporating public input into the update. The update must be completed and submitted to HCD for certification by December 31, 2015. Although the Element will establish policies for 2016 through 2023, it will address the Regional Housing Needs Allocation (RHNA) for the 10-year period from January 1, 2014 through December 31, 2023.

Required Content of Housing Element

State law requires Housing Elements to include the following components:

- An assessment of housing needs, and an inventory of resources and constraints relevant to ability to meet those needs;
- A statement of the community’s goals, quantified objectives, and policies relevant to the maintenance, improvement and development of housing;
- An identification of methods to meet the need for emergency shelters; and

- A program that sets forth a schedule of actions that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element, such as:
 - assistance in developing adequate housing that meets the needs of extremely low, very low, low- and moderate-income households;
 - addressing governmental constraints to housing maintenance, improvement and development;
 - conserving and improving the condition of existing affordable housing stock; and
 - promoting housing opportunities for all persons.

An important factor that will be addressed throughout the Housing Element is demonstrating the ability to accommodate the County's Regional Housing Needs Allocation (RHNA). State law establishes a process wherein AMBAG prepares a Regional Housing Needs Allocation Plan covering all jurisdictions in the region ("Regional Housing Needs Allocation Plan: 2014-2023", AMBAG, adopted June 2014) for approval by HCD. The Plan specifies the number of housing units in each income category (very low, low, moderate and above moderate) that the County must plan to accommodate in the unincorporated area. A portion of the very low allocation must address extremely low income households. The County's overall RHNA number for the coming planning period is 1,314 units, which is slightly larger than the 1,289 goal for the current Housing Element cycle. The Housing Element must demonstrate that adequate sites are available to meet the RHNA for each income level, as follows:

HOUSEHOLD INCOME	NUMBER OF UNITS
Very Low Income	317
Low Income	207
Moderate Income	239
Above Moderate Income	551

NOTE: The above RHNA numbers reflect an average annual production of 131 housing units per year over the 10-year timeframe. The regional Sustainable Community Strategy (SCS) adopted by AMBAG in June 2014 forecasts a need to produce an average of 215 housing units per year over the 25-year timeframe of the SCS. These rates are within range of the overall average production in the County since the adoption of Measure J growth management provisions in 1979.

Preparing the Housing Element

With this update cycle HCD has instituted a streamlined process that may be used for preparation, review and approval of Housing Elements. HCD will focus only on the portions of the Housing Element and accompanying analyses that are different from the previous version. Staff will therefore focus on updating supporting data as necessary using the 2010 decennial census, updating the inventory of existing housing supply, updating inventory of sites available to meet identified goals, identifying affordable units at risk of being lost, and reporting on changes in the overall housing situation that have occurred since 2010. A key effort will be reviewing the policies and programs in the Housing Element for status, gaps, and continuing relevance, and preparing a revised "Objectives, Goals, Policies and Programs" section, once again focusing on changes that have occurred since certification of the last Element in 2010.

Indications at this time are that the County will be able to demonstrate adequate inventory of sites and housing to meet the RHNA through existing policies and programs, updating policies and programs to encourage second units (ADUs), and developing new programs to encourage more affordable types of housing, such as residences in mixed use buildings. There is also property available that is currently zoned for 20 units per acre that has not yet been developed with housing,

for which the County will receive "credit". Significant new programs, such as re-zoning programs that were necessary in the past, are not expected to be part of this update cycle.

Public Involvement in the Housing Element Update

It will be critical to receive input from the public and from the many community groups, agencies involved with housing issues, and special needs stakeholders in our community at the beginning of the process, before a draft Housing Element is completed. The proposed schedule therefore includes three early public workshops, hosted by the County Housing Advisory Commission (HAC). One will occur as part of a scheduled HAC meeting, and two others will be evening meetings in north and south county locations. Translation service and bilingual outreach materials will be provided. Display ads will be published in the Sentinel and Pajaronian, and community groups, agencies, and special needs stakeholders will be enlisted to help publicize the meetings to their members, constituencies and beyond.

Following the initial public workshops with the HAC, staff will prepare a draft Housing Element. The draft will be brought to the HAC, Planning Commission, and your Board for consideration before it is submitted to HCD for a mandated preliminary review. After HCD review comments are received and incorporated, the proposed final Housing Element will be brought to the HAC, Planning Commission and your Board before it is submitted to HCD for certification by December 31, 2015. These Commission and Board meetings represent additional opportunities for public review and input. We will use the Planning Department website and mailing lists to notify interested parties of the schedule of public meetings.

Proposed Schedule

A draft Housing Element must be submitted to HCD in September of 2015 in order to accommodate HCD's 60 day review and comment period on the draft, with the final Element to be submitted to HCD for certification no later than December 31, 2015. To meet these dates we expect to adhere closely to the following timeline:

January 2015:	Kick off staff presentation to the Housing Advisory Commission (completed)
March 2015:	Three initial public workshops, hosted by the Housing Advisory Commission
April – August 2015:	Staff work period. Special outreach to stakeholders as needed.
August, 2015:	Draft of updated Housing Element considered by the Housing Advisory Commission, Planning Commission and Board of Supervisors. Begin CEQA review.
September, 2015:	Draft of updated Housing Element submitted to HCD for 60 day review.
November, 2015:	Receive and incorporate feedback from HCD, bring final draft to Housing Advisory Commission, and to Planning Commission at a public hearing, for recommendations
December, 2015:	Board public hearing(s) to consider the final updated Housing Element and to adopt the Housing Element and authorize submission to HCD for certification.

Conclusion/Recommendation

The process and timeline outlined in this letter address the needs to both prepare the Housing Element update in a timely manner and to allow numerous opportunities for public and stakeholder input on housing issues in general and the Housing Element update specifically. Staff has reviewed the schedule and approach with the Housing Advisory Commission.

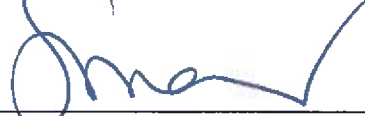
It is therefore **RECOMMENDED** that your Board accept and file this report, and direct Planning staff to proceed with updating the Housing Element as outlined in this letter.

Sincerely,



Kathy M. Previsich
Planning Director

RECOMMENDED:



SUSAN A. MAURIELLO
County Administrative Officer