

Updating the Housing Element Planning for California's Future



California Department of Housing and Community Development 2014

The Living Realm not just the Housing Realm

Economy

Education

Sustainability

Transportation

Health

Community Building

Addressing broader needs such as aging populations



Why Update?

Comply with State Housing Law

Sets stage for accessing critical funds

Creates opportunity to implement regional goals

Provides an opportunity to adopt land-use strategies to address climate change

Good Planning = Good Results



The Update Process



Use existing element as base: Update to reflect new statutory requirements

No need to start from scratch

Keep what works – change what doesn't

SB 375 Context for Housing Elements

SB 375 recognizes the link between good housing planning and mobility

It leverages the housing element's focus on actual implementation to promote sustainable community objectives



SB 375 - Update Timing



Projection Period = time period for which the RHNA is calculated

Planning Period = time period for the housing element

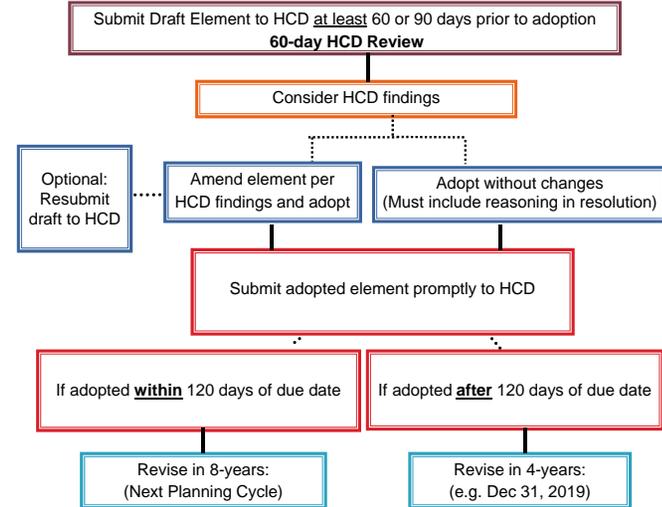
Jurisdictions on 8-year planning cycles must adopt their housing elements no later than 120 days after due date or will be required to revise their housing elements every four years

Update Schedule Central Valley

Council of Governments/ Jurisdictions	Projection Period	Housing Element Due Date
Fresno, Kern	Jan 1, 2013 - Dec 31, 2023	Dec 31, 2015
Stanislaus, Tulare	Jan 1, 2014 - Sept 30, 2023	Dec 31, 2015
San Joaquin	Jan 1, 2014 - Dec 31, 2023	Dec 31, 2015
Kings, Madera	Jan 1, 2014 - Jan 31, 2024	Jan 31, 2016
Merced	Jan 1, 2014 - Dec 31, 2023	March 1, 2016

State HCD www.hcd.ca.gov

REVIEW STEPS AND TIMING



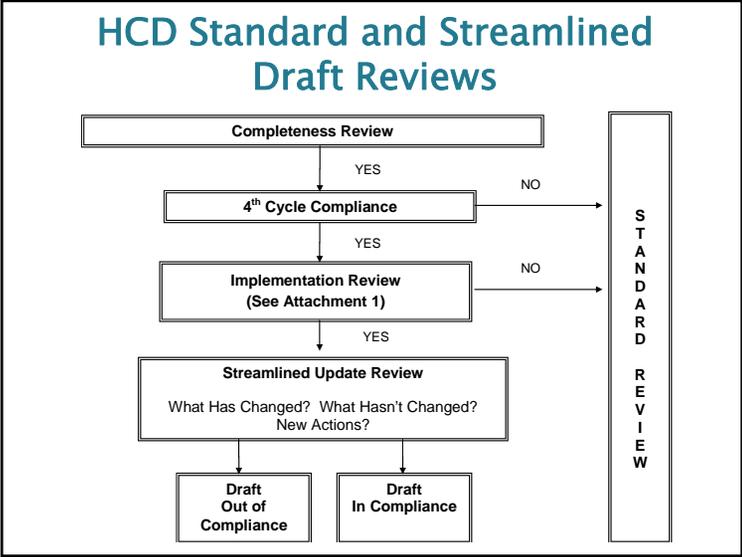
The Streamlined Update Process

Implementation Review

Completeness Checklist

Streamlined Update





Implementation Review

Completion of the Following:

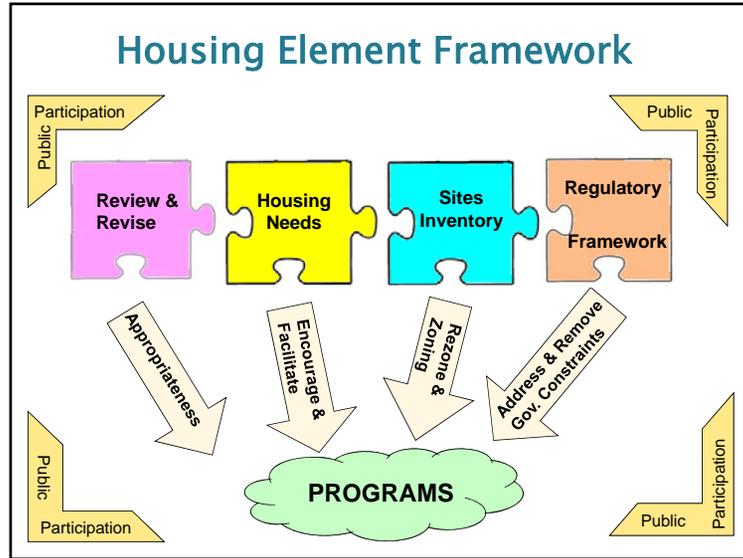
- Compliant Housing Element in the 4th Cycle
- Rezoning from 4th Cycle
- Zoning for Emergency Shelters
- Zoning for Transitional and Supportive Housing
- Reasonable Accommodation Procedure Adopted
- Density Bonus Adopted

Review Template

Housing Element Update Guidance
Attachment 3 - Streamlined Update Template

Housing Needs Assessment (Section 65583(a)(1 and 2)) <small>(See Building Blocks at http://www.hcd.ca.gov/hpd/housing_element2/HN_home.php)</small>	Revised Page(s)	Indicate N/A if No Changes Were Necessary
Update quantification of population, employment, and housing stock needs including:		
• Population		
• Employment		
• Households		
• Overpayment (including lower-income)		Revised Page(s)_Employment
• Overcrowding		
• Extremely Low Income Households		
• Housing conditions		
<small>Sources of information:</small>		
• 2010 Census at http://factfinder2.census.gov/faces/hist/table?_lang=en&_ss=us&_ds=us&_tid=1		
• American Community Survey at http://factfinder2.census.gov/faces/hist/table?_lang=en&_ss=us&_ds=us&_tid=1		
• Department of Finance at http://www.dof.ca.gov/research/demographic/		
• Applicable Federal Consolidated Plan		
• Available local and regional data (e.g., local census of homeless persons or shelter beds)		
<small>Special Note: If a jurisdiction has utilized a data packet pre-approved by HCD such as in SANDAG, SOAG and SACOG, mark N/A above where appropriate and indicate the data packet has been utilized. The Department will not review the portions noted in the applicable correspondence to the Council of Governments. Contact HCD for more details or questions.</small>		
Update analysis and conclusions as necessary due to changes in population and households characteristics or other dynamics for population, employment, households, overpayment, overcrowding, extremely low income households and housing conditions		
Update policies and programs as necessary to reflect changes in the analysis and conclusions and other pertinent assessments of need such as the Federal Consolidated Plan		

CA Dept of Housing and Community Development 1



Public Participation

Local government must make a *diligent* effort to achieve the public participation in all economic segments of the community.

Benefits

- Assists in the development
- Identifies key community concerns
- Leads to acceptance at time of adoption.
- Key to implementation

Review and Revision of Previous Element

- Progress
- Effectiveness
- Appropriateness




Housing Needs Assessment

- Population and employment
- Households characteristics
- Housing stock conditions
- Special housing needs
- Assisted housing at-risk of conversion to market-rate
- Extremely Low-Income

5th Cycle Housing Element (Housing Need) Data Package

- HCD prepares data packages for all non-COG or small-COG counties
- Use in HE is optional.
- If incorporated in the housing element update, data not subject to further review, analysis still required.
- Data packages to be supplemented with local data for requirements including homeless count or housing stock conditions.
- HE Data Package questions: Anda.Draghici@hcd.ca.gov or (916) 263-7428

5th Cycle Housing Element – Example of Data Package

The screenshot shows an Excel spreadsheet with two main tables. Table 1, titled 'Population Growth Trends 2010-2013', lists population data for California, Angeles City, Unincorporated, and County Total across five years (2010, 2011, 2012, 2013, 2014) and includes average annual change percentages. Table 1.a, titled 'E-6 City/County/State Population and Housing Estimates, 2000 and 2010', provides housing unit data (Total, Single, Multiple, Mobile Homes, Households, Vacant Units) and vacancy rates for California County, Angeles City, and Unincorporated areas. Annotations include an orange arrow pointing to a cell with text 'Unincorporated County's calculated as difference between countywide and sum of incorporated other numbers', a purple arrow pointing to a cell with 'Links to data source used', a green arrow pointing to a cell with 'Multiple tabs', and a blue arrow pointing to a cell with 'SB 812 Developmental Disability by zip code'.



SB 812 (Ashburn) 2010 Persons with Developmental Disabilities

Requires the analysis include an evaluation of the special housing needs of persons with developmental disabilities.

A developmental disability is a disability that originates before an individual attains age 18 years, continues, or can be expected to continue indefinitely, and constitutes a substantial disability for that individual. This includes an intellectual disability, cerebral palsy, epilepsy, and autism (Welfare and Institutions Code Section 4512).



Potential Governmental Constraints

Describe and Analyze

- Land use controls
- Building codes and enforcement
- Site improvements
- Fees and exactions
- Permit and processing procedures
- Housing for persons with disabilities

Other General Requirements

Consistency with other General Plan elements
 Annual reports, due April 1 (GC 65400)
 Coastal zone requirements
 Housing element submission to water and sewer providers (GC 65589.7)
 Opportunities for Energy Conservation



New Laws Triggered by a Housing Element Update

- Disadvantaged Communities (SB 244)
- Fire Hazards (SB 1241)
- Flood Control (Various Bills, and Geography Specific. See DWR Handbook)
- Air Quality (SB 375) (Focused on the Central Valley)



Purpose of Inventory

Identify specific sites suitable for residential development to meet the locality's RHNA.

Determine if additional governmental actions are needed to provide sites to accommodate the RHNA.

AB 1233 (Jones) 2005

For Jurisdictions that:

- ▶ failed to adopt
- ▶ adopted a housing element found out of compliance due to inadequate sites; or
- ▶ failed to implement a rezone program

Jurisdictions Must:

- ▶ zone or rezone adequate sites to address unaccommodated need
- ▶ within the first year of the new planning period
- ▶ In addition to new RHNA



AB 2308 (Torres) 2012

Codifies existing practice of allowing units built since the start of the projection period to be credited towards their RHNA.

Include a description of the methodology for assigning those housing units based on actual or projected sales price, rent levels, or other mechanisms establishing affordability.

Listing of Sites (GC 65583.2(b))

Site Inventory Summary					
APN	Zone*	GP Designation	Acres	Realistic Capacity	Existing Use
041042002	R-3	Multifamily Residential	2.0	40	Vacant
037040027	R-2	Multifamily Residential	0.75	7	Vacant
037100040	R-1	Single Family Residential	4.5	22	Vacant
024351002	MU	Mixed Use Commercial	4.5	36	Strip commercial with 40% vacant commercial space
037100039	MU	Mixed Use Commercial	1.5	12	Parking Lot

* Where R-3 = (20-30 du/ac), R-2 = (10-20 du/ac), R-1 = (5-10 du/ac) C-1 = (20 du/ac assuming 60% commercial)



Suitability For Development General Requirements

General description of any environmental constraints to housing

Description of existing or planned water, sewer and other dry utilities including the availability and access to distribution facilities

Size of Parcel

Map of sites (for reference purposes only)

Suitability For Development Non-Vacant Sites (GC 65583.2(g))

Parcel Listing: Description of Existing uses

Evaluation: Analyze the extent existing uses impede additional development



Suitability for Development Non-Vacant Sites

Factors to consider:

- Age and condition
- Marginal versus operational uses
- Degree of under-utilization
- Property owner and/or developer interest
- General analysis by planning area
- Relate development trends to identified sites
- Regulatory or other incentives to encourage additional residential



Suitability for Development Small Sites

Factors to Consider:

- Typical projects assisted by State and Federal financing are 50 - 150 units
- Reliance on small sites
- Feasibility of development
- Potential for consolidation
- Development trends
- Programs to encourage development and consolidation



Realistic Capacity (GC 65583.2(c)(1&2))

Capacity for each listed property by:

- Established minimum density or
- Based on analysis

For commercial or mixed use sites capacity estimate must consider extent non-residential uses are allowed.

Analysis must adjust for land use controls and sites improvements

Realistic Capacity and Mixed Use

Factors to Consider:

How is residential allowed
(100% residential versus mixed use)

Performance standards or requirements for residential or mixed use



1050 B St., San Diego, CA

Realistic Capacity and Mixed Use

Factors to Consider:

Support assumptions with development trends

Identify most realistic opportunities for residential use

Policies and programs to encourage residential uses and maintain adequate sites



No-Net Loss (GC 65863)

Inventory of sites must accommodate the RHNA throughout the planning period.

No local government action shall reduce, require, permit the reduction of the residential density, or allow development at a lower residential density than identified in the site inventory unless written findings are made.

"Lower residential density" means fewer units on the site than were projected by the jurisdiction site capacity calculation.

Zoning to Accommodate Housing for Lower-Income Households (GC Section 65583.2(c)(3))

Analysis demonstrating the appropriateness of zoning for housing for lower-income households:

- Market demand
- Financial feasibility
- Trends within zones

Or

Default densities



Other Approaches to Identifying sites

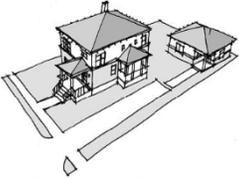
Second units

Motel Conversion

Mobile home parks

Manufactured Homes

Alternative Adequate sites



Second Units

Capacity estimate based on:

- Number of units in prior planning period
- Demand
- Resources or Incentives
- Affordability



Alternative Adequate Sites

Must have a committed assistance program within first two years of planning period.

May count up to 25 percent of housing need for the following:

- Substantial rehabilitation
- Preservation
- Acquired housing – Multifamily Renter and Owner, Foreclosed

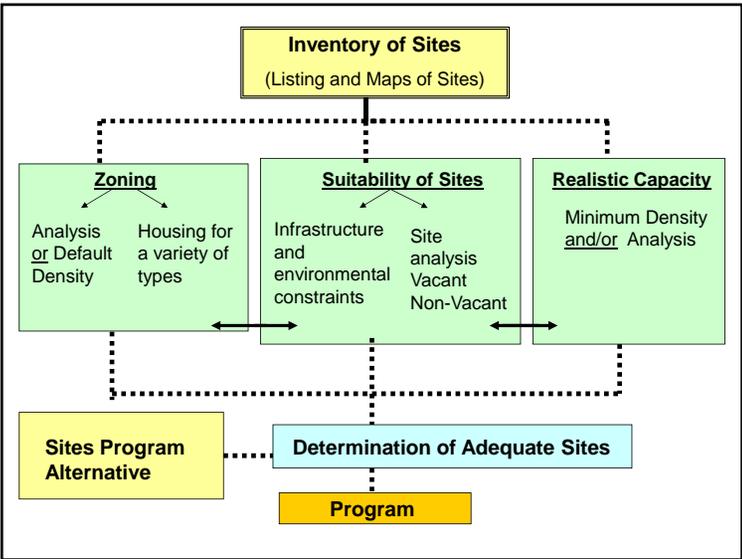


Alternative Adequate Sites Amendments

AB 720 (Caballero) 2009: Expands the timeline to provide committed assistance.

AB 1867 (Harkey) 2010: Allows multifamily “ownership” housing converted to affordable to qualify. Also reduces the required number of units from 4 to 3.

AB 1103 (Huffman) 2011: Allows foreclosed properties to qualify under the alternative adequate sites conversion option.





Zoning for a Variety of Housing Types

- Emergency shelters
- Transitional housing
- Supportive housing
- Farmworkers (permanent and seasonal)
- Manufactured housing and mobilehomes
- Multifamily

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Emergency Shelters

Must demonstrate sites/zoning are available to accommodate the need and describe the characteristics and suitability of the zone(s). **Is there still sufficient capacity to accommodate identified need from previous planning period?**

SB 2 required that if zoning amendment needed to address emergency shelters, the program must have been implemented within one year of adoption of element –

Has zoning been completed?



SB 2 Implementation

Standards related to the siting, management or development of emergency shelters must comply with the standards allowed under the government code - no additional criteria may be applied.

Ensure that transitional and supportive housing is allowed in all zones where residential uses are allowed (i.e. commercial or mixed use)

Ensure that transitional and supportive is not defined or allowed only as group homes



State HCD www.hcd.ca.gov



Goal, Policy, Program

Goal: Defines the general end point to reach based upon identified need

Policy: The course or method of action to guide and determine present and future decisions

Programs: specific action steps each locality will take to implement its policies and achieve stated goals and objectives

State HCD www.hcd.ca.gov



Housing Programs (GC 65583(c))

Specific commitment and timeframe

Agency responsible

Beneficial Impact

Program: Reduce per-unit impact fees for small downtown housing units, to reflect smaller household sizes and lesser impacts.

Responsibility: Planning Department and City Council

Timing: December 30, 2014



“Beneficial Impact” – SB 375

Must include a definitive date, deadline, or benchmarks for implementation early enough in the planning period to realize “beneficial impacts” and implementation within the planning period.

The effects of the implementation of the program should be able to be quantified within the planning period.



Housing Programs

★ Adequate sites

★ Facilitate housing development for low- & moderate-income households (including extremely low)

★ Remove/mitigate constraints

★ Conserve/improve existing stock

★ Preserve units at-risk

★ Promote equal housing opportunities



Adequate Sites Program (GC 65583(c)(1) and 65583.2(h))

1. 100% of remaining need for lower-income HH.
2. Provide processing by-right:
 - No CUP, PUD or other discretionary review triggering “project” under CEQA.
 - Design review allowed as long as “project” not triggered.
3. Permit at least 16 units per site.
4. Have a minimum density of 16 or 20 units per acre.
5. Accommodate at least 50% of the remaining need on residential-only sites.



Changes to Rezoning Timeframes (SB 375) 8-year Revisions

Must complete all rezoning requirements within 3 years after EITHER

- 1) the housing element adoption OR
- 2) 90 days after receipt of comments from HCD.

Extension Qualification: complete rezoning to accommodate at least 75% of the remaining need and determine that zoning delayed based on one of the following:

- a reason beyond the local government's control
- lack of infrastructure due to fiscal constraint
- requires a major revision to the general plan

Quantified Objectives

	Extremely Low-income	Very Low-income	Low-income	Moderate	Above Mod
Construction					
Rehabilitation					
Conservation includes Preservation					

Tips



Rezone early to avoid AB 1233 Requirements

If more sites are needed to accommodate 5th cycle RHNA rezone before the Due Date

Implement programs before the Fifth Round (e.g., SB 2)

Ask Questions- Don't rely on rumors

Coalition build – Identify Stakeholders Early

Use the housing element as a tool to achieve broader community development objectives

We Want to Help!!!



- Technical assistance in developing draft Building Blocks website tool
- Sample programs and analysis
- Frequent contact with staff throughout process
- Consider third party comments
- Site visits to provide assistance

More Information

BUILDING BLOCKS FOR
EFFECTIVE HOUSING ELEMENTS 

http://www.hcd.ca.gov/hpd/housing_element2/



www.hcd.ca.gov

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