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EL DORADO COUNTY

El Dorado County Board of Supervisors

I have been a member of the Board of the Affordable Housing Coalition (AHCEDC) since it was formalized as organization about three and a half years ago. We have met many times with various interest groups and county staff over that period to make sure we would be fully informed about our county's housing challenges and potential directions toward solutions.

I am a member of the Affordable Housing Task Force (AHTF) and I don't believe I've missed a meeting of that group.

Clarifying things that were said at your August 14 meeting and commenting on several parts of the staff report submitted to you last week:

One speaker who has participated in the AHTF said that we didn't know what affordable housing was (he clearly either did not read or choose to ignore the charts which we were all given by county which spelled out the levels of income for the various levels of affordability of housing. I believe it was the same speaker who said that we had agreed it was necessary to throw out protection of oaks if we were to build affordable housing. While the committee discussed this there was never a consensus that oak preservation had to be totally thrown out. Recent state legislation exempts affordable housing developments from such impediments in any case.

The staff report suggests that a formal Housing Advisory Commission or Committee be formed. It fits neatly into the wishes of the development interests that the staff report suggests that they have a seven or eight to three or four majority on such a committee and things would be done by formal votes rather than a place where discussion of mutually advantageous actions could be taken and consensus reached. There is strong division on the AHTF as to whether such a structure is advisable and many feel that going in that direction will only stifle real discussion and consensus building.

I was unable to attend the August 14 meeting because of my work schedule and unfortunately will miss today's meeting for the same reason. I did, however, watch the broadcast the following day and continued to watch the entire meeting. For that reason, I wish to commend Supervisor Briggs for recognizing as you were considering a condo conversion late in the day that you were in fact reducing the county's affordable housing stock. Unfortunately our history in recent years have shown that we've reduced that stock more than the very few units that have been created.

I am a low income senior, while I inhabit low income housing it is not subsidized housing. Most of that income comes from my work with the disabled community. That work has made me acutely aware of the shortage of appropriate housing for disabled adults in our community.

I hope that you will begin to understand how dire our Affordable Housing situation really is and continue a serious effort with the task force to alleviate it.

Sincerely

Rich Meagher

DRAFT 8/27/07:
Affordable Housing

California General Plan Law requires each jurisdiction to update their General Plan Housing Element every five years. El Dorado is required to update its Housing Element by June 30, 2008. As part of the process, each city and county must have land zoned to accommodate its fair share of the regional housing need. The California Department of Housing and Community Development (HCD) provides to each Council of Governments (COG) the number of dwelling units (DU) that must be planned for within the COG for the next planning period. The Sacramento Area Council of Governments (SACOG) has prepared a Regional Housing Needs Plan (RHNP) allocation for each jurisdiction within SACOG. These preliminary allocations will be revised and finally adopted in December of 2007. The 7/20/07 draft El Dorado County RHNP for the planning period 2006-2013:

<u>Income Category</u>	<u>EDC Allocation 2006-2013</u>	<u>Actual 2001-2006</u>
<u>Very Low</u> (\$33,600) (0%-50% of ED Median Family Income of \$ 67,200)	3,212	84
<u>Low</u> (\$53,750) (51%-80% of MFI)	2,101	281
<u>Moderate</u> (\$ 80,000) (81% to 120% of MFI)	2,020	-0-
<u>Above Moderate</u> (over 120% of MFI)	3,374	10,192
<u>Total</u>	10,707	10,557

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Allocation of General Plan Dwelling Units per Consultant Housing Statistics

According to the consultant (May 10, 2007) at full theoretical build-out, the General Plan allows 32,491 dwelling units, of which 11,976 have been built, leaving 20,515 dwelling units planned to be built by 2025. 6,025 of the remaining 20,515 theoretical units are covered by Development Agreements (DA) that do not require affordable housing. This leaves a theoretical 14,490 El Dorado County dwelling units to be built between now and 2025, including all affordable housing units. The GP adjusted maximum capacity is 80% of maximum density:

<u>Adjusted Max Capacity</u>	<u>Allocation of GP 80% Adjusted Max Capacity du</u>
20,515 remaining max capacity GP du	11,592 adjusted max capacity
<u>6,025</u> development agreements du	- 5,313 lower income allocation
14,490 maximum build out w/o DA	- <u>2,020</u> moderate income allocation
<u>x .8</u> (assuming 80% of max capacity)	4,259 Market Rate DUs (not AH or DA)
11,592 adjusted max capacity	

PLANNING REQUIREMENTS FOR AFFORDABLE HOUSING

The planning for affordable housing to meet the RHNA allocation is not as simple as in the past. Recent changes in state law require each housing element:

1.) **Contain a Site-Specific Inventory and Identify adequate sites with appropriate zoning densities,** appropriate standards and infrastructure, to meet the county's housing needs. The Legislature passed **AB 2138** (Mullin) [Stats. 2004, ch. 724] and **AB 2158** (Lowenthal) [Stats. 2004, ch. 696]. AB 2138 made significant amendments clarifying the required contents of a housing element, including clarification of the land inventory and site identification requirements. This includes needs for housing for low and very low income households, mobile homes, farm worker housing and homeless shelters, that will be made available during the planning period (Govt. Code 65583 (c) (1) & 65583.2). The obligation to identify and make sites available is one of the most important parts of the housing element because it obligates the county to zone sites at high enough densities and with sufficient infrastructure to make the development of affordable housing feasible. It is the principal change in the law and provides a legal weapon to Housing advocates. (It also correlates to **§65513.1** (the "Least Cost Zoning" law, discussed below) which requires communities to at all times zone sufficient economically feasible vacant sites to meet their entire RHNA for each income category.) HCD did not certify the 2004 Housing Element due to concerns with Measure Y. To address HCD's concern with the County's Measure Y, now GP policy TC-Xa (4), on August 22, 2006 the BOS approved a new Traffic Impact Mitigation fee schedule, including the establishment of a fund (currently \$1 million annually) to be used to offset the cost of affordable housing projects. The Department of Human Services is currently working on a process for distribution. Govt. Code 65583.2 (b) requires the inventory and analysis must include:

- a. List of parcels by parcel number;
- b. Size, general plan and zoning designations of each identified parcel;
- c. Existing use of non-vacant sites;
- d. Environmental constraints (such as slopes) (Need not be site specific)
- e. Infrastructure, including capacity; (Need not be site specific)
- g. A determination of the capacity of the site to justify how many units can be potentially accommodated. If the zoning establishes *minimum densities*, HCD must accept the community's calculation of the housing capacity of a site based on the minimum density. If there is no minimum density for the site, the planning agency must demonstrate the basis for assigning a particular number of units to the site.

(§65583.2(c)(1))

- i. Lower income site feasibility analysis.

2.) **Require a Determination of suitability for very low or low income housing. The county must either** (Govt Code 65583.2 (c)):

- a. **Zone enough land at 20 units per acre** since that density (aka "Mullin densities") is deemed appropriate to accommodate housing for lower income households for "suburban jurisdictions" such as ED This is intended to be a "safe harbor" i.e. a density which requires no justification, rather than an absolute limit on the densities which can be realized. However, housing advocates are likely to argue this creates a legislative presumption that this density is necessary to accommodate affordable housing, **or**

- b. **Provide an analysis, including financial feasibility as to how the adopted densities meet the low income allocation.** The analysis shall include such factors as **financial feasibility, development project experience.**

3.) **Limit using non-residential zoned lands to meet lower income RHNA allocation.** No more than 50% of the very low and low-income allocation may come from non-residential zoned land. This limitation does not apply to mixed use land. (Govt Code 65583.2 (H). AB 414 (2007), which recently passed the assembly,

proposes to restrict the 50% to allowing only half of the total residential capacity of the land to be counted and to allow no more than 30% of the lower income RHNA to be met by such lands.

4.) **Allows alternative Methods of Identifying Sites to meet the RHNA allocation** may include (§65583.1):

- a. Developed sites with redevelopment potential as well as vacant land (§65583(a)(3));
- b. Redesignation of property to a more intense land use category.
- c. Increasing density of under utilized land;
- d. Second units limited to the number developed in the prior element;
- e. Mixed use zoning

5.) **Adequate site inventory must provide for Very Low Income Households. AB 2634 .** In 2006, the Legislature added several new provisions to housing element law to ensure that jurisdictions plan for the housing needs of extremely low income households (those at 30% of median income and below) Requires quantification and analysis of existing and projected housing for low income households.

6.) **Least Cost Zoning requires the identified affordable housing sites be economically feasible.** (Govt Code 65913) Sufficient land must be zoned for residential use with appropriate standards, in relation to zoning for nonresidential use, to meet the housing needs for all income groups. Appropriate standards mean densities and development requirements must contribute significantly to the economic feasibility of producing housing at the lowest possible cost

7.) **2006 Legislation Requires the County to submit annual Reports to HCD which include progress in meeting RHNA goals** In 2006, Assembly member Jones authored AB 2511 [Stats. 2006, ch 888, §3]. The bill put some teeth into the annual reporting requirement of local government. It mandates the court to order jurisdictions that fail to substantially comply with the reporting obligation to comply within 60 days and authorizes the court to grant appropriate sanctions. This report will include number of units built per RHNA allocations.

8) **Once a site is identified as suitable for AH, the county may not be able to change the residential capacity (GC 65863).** The inventory of adequate sites must be maintained throughout the planning period. The county may be prohibited from down zoning sites identified in housing element unless there is no net loss in capacity and the county can still identify "adequate sites" to address the RHNA.

9.) **If the inventory reveals insufficient sites to accommodate the RHNA needs for all income levels, the county must provide sites developable "by-right" at multifamily densities of 20 du per acre** to accommodate the short-fall. County may not require a conditional use permit, pd permit, or other local review that would constitute a "project" for CEQA. Zonings to meet the allocation must be within one year of the five year required update of the housing element. (Govt. Code 65583 (c)(1)(A), 65583.2(h), 65584.09.)

10.) **Government constraints to AH development must be addressed, and where appropriate and legally possible, removed (§65583(c)(3)).** The statute was amended in 2006 to clarify that the analysis must include assessment of constraints on the particular types of housing listed in (c)(1) (building standards, fees, conditional use permit procedures, design review and protracted processing) along with growth controls, moratoria, open space requirements, parking requirements, minimum street widths and lot sizes, maximum lot coverage, historic preservation, fees and exactions, processing and permit procedures and restrictions on second units, mobilehomes or mixed uses. The analysis must also demonstrate efforts to remove the identified constraints.

11.) Govt. Code 65914 requires persons who sue to halt affordable housing to pay attorney fees or post a bond.

12.) **Anti-Nimby Law may prevent the county from denying a AH project. (Govt Code 65589.5).** Even in communities with valid housing elements, local governments often deny approval of good AH developments. Recognizing this, state Anti Nimby law prohibits a local agency from disapproving a low income housing development, or imposing conditions that make the development infeasible, unless it finds that one of five narrow conditions exist. Of the five, three are of most import: 1) the project would have an unavoidable impact on health and safety which cannot be mitigated; 2) there is no need for the project; or 3) the project is inconsistent with the general plan and the housing element is in compliance with state law. SB 948 (Alarcon) (Chapter 968, Statutes of 1999): (1) narrowed the definition of what constitutes an impact on health and safety; (2) applied the law to middle income housing; and (3) **clarified the authority of courts to order localities to approve illegally denied projects.** AB 369 (Dutra) (Chapter 237, Statutes of 2001) **provided attorneys fees and costs against localities that violate the law.** SB 619 (Ducheny) (Chapter 793, Statutes of 2003) expanded the law to mixed use developments. SB 575 (Torlakson) (Chapter 601, **Statutes of 2005 narrowed the zoning inconsistency conditions for turning down affordable housing.**

HCD Review of Housing Element including Site Inventory (§65585)

Before a local government adopts or amends a housing element, it must be submitted to HCD for review. As part of the adequate site inventory review, HCD will determine whether the Measure Y TIM fee schedule satisfies HCD concern with Measure Y. The local legislative body must consider HCD's findings. If HCD finds the element or amendment is out of substantial compliance with the housing element laws, §65585(f) requires the legislative body to either: (1) Change the draft to achieve substantial compliance; or (2) Adopt the draft without changes and include written findings explaining why the legislature believes the draft does substantially comply.

Not "Self-Certification." Option two is sometimes called "self certification" by local governments. But, that is a misnomer. A jurisdiction cannot render its housing element in substantial compliance with the law simply by adopting written findings that reject HCD's determination. The question of whether an element complies with the statute is a question of law, and a court will give HCD's determination (essentially, HCD's construction of the statute) deference when evaluating the legal adequacy of a housing element.

Consequences for Failure to Adopt or Implement an Adequate Housing Element

1. **A court order curtailing the power of the county to approve development. (Govt Code 65754, 65754.5).** Failure to timely adopt a housing element in substantial compliance with state housing element law exposes the local government to litigation that can result in a court order curtailing the locality's powers to approve development. (§§65754, 65754.5 & 65755) Indeed, if a court finds that the jurisdiction has failed to adopt an element in compliance with the law, the court must issue an order that either suspends the community's power to take various development approval actions or requires the community to approve proposed residential developments containing affordable housing.

2. **Findings of General Plan Inconsistency.** There are two kinds of consistency. The general plan must be an "internally consistent" document. (§ 65300.5) That means that no general plan element, including the housing element, may contain provisions inconsistent with provisions in other elements. For example, the land use element may not designate the same parcel for commercial use that the housing element designates as available for residential use. But the second part of the consistency doctrine is the constitutional status of the general plan in relation to all other local land use and zoning laws: all development-related local actions must be consistent with the general plan, including the housing element. Because the general plan is the community's constitution for development, the local government may not take actions inconsistent with the plan. Actions required to be consistent with the general plan include the *zoning ordinances, subdivision maps, specific plans, , developer agreements and redevelopment plans.* By the same token, if the local government fails to adopt an adequate element, its general plan is inadequate, and therefore any action required to be consistent with the general plan could be found inconsistent per se.

3. Failure to Implement. The adoption of a housing element also creates a mandatory duty to take the actions mandated in the element. If the element obligates the community to take a particular action, failure to implement that aspect of the housing element breaches the mandatory duty created by the element and, therefore, constitutes an act inconsistent with the element. Consequently, the failure to implement a provision of a housing element can be challenged as a breach of mandatory duty and as an inconsistent act.

4. CalHFA and other government housing funding may not be available: For example the 30/15 permanent financing program for rental apartments for low to moderate-income households and selected Proposition 46 funds among other sources.

5. Each legislative session brings additional consequences for failure to meet the RHNA affordable housing allocation. The county can expect statutory housing requirements to become increasingly specific and limiting of local control over land use policy relating to affordable housing.

MUST PLANNED AFFORDABLE HOUSING ACTUALLY BUILT AS AH?

In the past, there was only a need to plan for affordable housing and show that sufficient planned units could cover the RHNA lower cost allocation and not to actually build the affordable housing units. The above discussed increased statutory requirements along with the ED situation traced to the DAs present a looming consistency issue in ED County which is shown by repeating the above max adjusted density calculations.

<u>Adjusted Max Capacity</u>	<u>Allocation of 80% Adjusted Max Capacity DUs</u>
20,515 remaining max capacity GP DUs	11,592 adjusted max capacity
<u>6,025</u> development agreements DU	- 5,313 lower income allocation
14,490 maximum build out w/o DA	- <u>2,020</u> moderate income allocation
<u>x .8</u> (assuming 80% of max capacity)	4,259 Market Rate dwelling units (not AH or DA)
11,592 adjusted max capacity	

Assuming the vacant land survey uses the GP 80% of max capacity, there are only some 4,259 units to be built outside the development agreements and the current AH allocation between now and 2025.

Considering the county must report on an annual basis to HCD, a time is approaching when, *without increasing Market Rate DUs*, any dwelling that is not affordable housing or covered by a development agreement would be inconsistent with the GP, triggering court action to either stop development permits or mandate ministerial approval of AH projects.

TOOLS TO ADDRESS AFFORDABLE HOUSING ISSUES

1.) **Second units** may be identified to satisfy the RHNA allocation, based on the number of second units developed in the prior Housing element planning period, whether or not the units are permitted by right. Govt. Code 65583.1. The number developed in the prior ED Housing Elements appears to be approximately 300, but potential second units are probably much greater.

2.) **Inclusionary Zoning**. Whatever one's position on inclusionary zoning, the ED numbers indicate that inclusionary zoning may produce 300-500 units of the required 8,000. There are only about 4,000 Market Rate units to build, if one AH DU was built for every then Market Rate units then 400 units would result. There would need to be 80,000 Market Rate DUs to result in 8,000 DUs of AH at the rate of 10:1. Also, there has developed a confusing interplay between state mandated density bonuses and inclusionary zoning that seems to be resulting in a trend towards encouraging density bonuses

3) **Density Bonuses.** Govt Code 65915 requires the county to amend the density bonus ordinance with the intent to encourage production of affordable housing. The law formerly provided a 25% density bonus in exchange for 10% to 20% AH. In 2005 the law changed to allow a 20% bonus for providing 5% of housing to very low income households, 10% to low income and 5% to medium income. In addition, the law **requires** the county grant **concessions, incentives, waivers, reductions and reduced parking requirements** in local development and design review standards and granted a bonus for land donations. **In ED, the prevailing wisdom is that density bonuses are not effective because maximum density is seldom achievable using current development standards, including grading. All qualified Parcels where maximum densities are achievable with waiver of development standards should be identified.**

4.) **Redesignation of Land Uses and Revision of Land Use Element.** *One way to address the pending numbers problem is to increase the number of market rate dwelling units by GP amendment.* Because the housing element is the only element of the general plan that must be updated regularly, it is quite possible that goals and policies and implementation actions developed when the element is revised could conflict with those of other elements. This is often the case with the land use element, which addresses the land use designations and zoning and, therefore, necessarily overlaps with the housing element. As part of the revision of the housing element the land use element may need revision as well in order to achieve consistency between the elements. At the time the final housing element is adopted. Depending on the results of the adequate site survey, there should be a thorough land use review with regards to smart growth concepts, such as the designation of mixed use and traditional neighborhoods. In addition, there must be a review of all parcels that may qualify for AH high density, whether or not zoned or high density and re-evaluate where we want high density AH. Measure Y may be a constraint. .

5.) **Water & Sewer Service Priority for Developments Addressing RHNA (§65589.7)** **The state is aware that some communities will try to restrict services to their areas to constrain AH.** After adoption an initial or amended housing element, the local government must deliver a copy of the element to all public and private entities that provide water and sewer services within the territorial jurisdiction of the local government. The water and sewer provider, in turn, must grant a priority to any proposed affordable housing development: *Each public agency or private entity providing water or sewer services shall grant a priority for the provision of these services to proposed developments that include housing units affordable to lower income households.* This provides a priority to AH when deciding what areas to extend services.

6.) **Mixed Use/Mixed densities/Traditional Neighborhoods/Smart Growth/Land Use Overlays.** These are all new forms of higher density development (**doing more with less.**) The county is preparing a mixed use/traditional neighborhood ordinance/amendment. This is an **essential** tool to ensure flexibility in design in conformance with "smart growth" principles dominating international planning. Rather than the state simply requiring the county waive their myriad of exclusionary design and development requirements, the county may enact development guidelines consistent with traditional neighborhood designs to ensure acceptable higher density residential and mixed use developments. Examples of Traditional Neighborhood ordinances include the Chico Traditional Neighborhood ordinance. A second such tactic is reducing the costs of producing housing units meeting middle-class quality standards. That involves (1) modifying building codes, (2) speeding up the development process, and (3) raising residential densities.

7.) **Removing Regulatory and Procedural Barriers.** **County incentives/waiver. The county must address on a project by project basis:** Increased lot coverage, Increased Height, Decreased set backs Reduced parking requirements, Waiver of fees, Reduction of street standards (Govt. Code section 65913). The list goes on.

8.) **Assist Rehabilitation of Existing Structures/units and Convert to AH Housing for Resell or Lease**

9.) **Support AH Developers in Obtaining Subsidies especially for low and lower income projects.** While it may be possible to produce housing for moderate income households (\$ 80,000/yr.) with county incentives/waivers/density bonuses, etc., all AH for the low and very low households require subsidies. Many of these subsidies, like tax credits and block grants, are **competitive**. The county needs to provide the tools (density/waivers/zoning/flexibility) to the development community to be competitive for these subsidies. For instance, consider local *match* funds to facilitate eligibility for funding. Match funds may be generated by a fee on all linked development permits, etc. **Sources of subsidies and buyer finance assistance include:**

a. Since 1986, the **Low – Income Housing Tax Credit (LIHTC)** also known as Section 42 after the relevant IRC section, has produced a large share of the affordable units. The LIHTC directly subsidizes the development costs of low-income housing, but through the use of private equity rather than government dollars. To take advantage of the LIHTC, a developer will typically propose a project to a state agency, seek and win a competitive allocation of tax credits, complete the project, certify its cost, and rent-up the project to low income tenants. Simultaneously, an investor will be found that will be make a "capital contribution" to the partnership or limited liability company that owns the project in exchange for being "allocated" the entity's LIHTCs over a ten year period. The California Tax Credit Allocation Board (TCAC) in the office of the State Treasurer allocates both federal and state tax credits to individual affordable housing developments. TCAC draws up an allocation plan that sets forth the criteria for tax credit projects, develops an application process based on the plan, reviews the applications and awards tax credits to the projects that score highest. The developers apply for the tax credits then work with either individual investors or investment pools to sell the tax credits.

b. **Proposition 46** authorizing \$2.1 Billion in housing bonds was approved by 58% of the voters in 2004. As of early 2007, approximately \$300 million remained for distribution.

c. The voter approved **California Housing and Emergency Shelter Trust Fund Act of 2006** authorizes the issuance of **bonds** in the amount of \$2,850,000,000 pursuant to the State General Obligation Bond Law. The bond act includes an \$850 million Regional Planning, Housing, and Infill Incentive Account and provides that funds are available for infill incentive grants for capital outlay related to infill housing and housing-related development and related development that is consistent with regional and local plans. Authorized projects project must be in a city or county that has an HCD-approved housing element

d. **California Housing Finance Agency (CalHFA).** CalHFA's Multifamily Loan Finance Programs provide permanent financing for the acquisition, rehabilitation and preservation of existing rental housing, as well as the new construction of rental housing. CalHFA-financed affordable units are targeted to low- and moderate-income families and individuals in California. CalHFA issues tax-exempt bonds to raise money and then lends the money at slightly higher rates. The agency lends money for both multifamily rental housing and single family ownership housing. For 2007, an El Dorado County residence must be priced at or below \$ 429,619 to qualify for CalHFA financing.

e. **HOME Investment Partnership Program.** The U.S. Department of Housing and Urban Development (HUD) provides annual grants of the HOME Investment Partnership Program to state and local governments. Its sole purpose is the creation of affordable housing for low-income individuals and families. As long as the beneficiaries are eligible under HOME income guidelines, and the housing constructed remains affordable for between five and 20 years, HOME funds can be used to build, purchase or rehabilitate single family homes or condominiums, and to build or rehabilitate privately-owned rental housing. Fifteen percent (15%) of HOME funds must be reserved for community-based nonprofit groups designated as Community Housing Development Organizations, called CHDOs. The County's plans for expending its HOME funds must be set forth each year in the Consolidated Plan.

f. **Section 202** is a federal program that provides capital and operating funds to nonprofit organizations that have developed and operate over 260,000 housing units for over low-income seniors..

g. **California Redevelopment Law** California's 400 plus community redevelopment agencies generate more housing subsidies than any other group in California.

h. **Local Bonds.** L.A. is submitting to the voters a \$ 1 billion bond for affordable housing.

Review of Affordable Housing Consultant Recommendations

The consultant report is generally a compilation of many of the above referenced affordable housing tools without particular application to the particular circumstances found in ED County:

1. It is uncertain whether the number of remaining dwellings stated in the consultant report is current. **Of interest, is that Table HO-31 Vacant Land Survey in the July 2004 GP indicates there were 12,059 Adjusted Maximum Capacities DUs outside of the DAs using EDC Assessors records as of August 2002, while the number of remaining DUs in the consultant report in 2007 is 14,490 (at 80% the adjusted number is 11,592). It appears either the GP number or the consultant number has been "adjusted".**

2. Will the County be able to establish the NEXUS between the new developments (outside DA's) and the need for Affordable Housing? If all or most Market Rate DUs need to be affordable, then that's a pre-existing condition, a demand that exists whether or not another market-rate home is built

3. Does the consultant recommendation of fees, land dedication, etc. only apply to new residential development that are not DA or AH or would AH fees be linked per nexus study to all development permits, including DA units? In other words, are all the cost recommendations (fees, grants of land, AH) directed towards the approximately adjusted 4,000 remaining planned Market Rate units?

4. Considering high land costs are determined to be the primary constraint on AH, has there been an analysis of the effect on the land value of those parcels that will be identified for AH when max. ave. du minus DA dus = AH allocation of 8,000 or less? If the identified parcels are required to meet the RHNA AH allocation, any other use would then be inconsistent with the GP Housing element. Since most AH is dependant upon competitive subsidies and waivers, the land values should substantially decline *unless substantial additional multi-density lands are zoned for AH*. Another alternative to reduce land costs for AH is to designate parcels for AH, those parcels will then adjust to market value for AH.

COMMENTS IN PROGRESS

The state required general plans so that local agencies would plan growth in an orderly manner and courts sanctioned counties for not having a legally effective GP by stopping development. The unintended result was that those favoring exclusionary policies opposed any GP, since the sanction was no new housing.

Affordable Housing is different. If the county does not provide flexible planning tools (traditional neighborhood planning, mixed-use, subsidy assistance, inclusionary/density bonus ordinances, incentives, zoning, etc.) to meet the RHNA in a manner most beneficial to the community, then the state and courts will enforce the requirements. Courts will have no difficulty finding legislative intent, "The lack of affordable housing is a critical problem that threatens the economic, environmental, and social quality of life in California" (Govt. Code 65589.5). Statewide AH bond approvals and court rulings indicate public support for enforcement. Statutory tools for court enforcement are already in place (anti-nimby, no-net residential capacity loss, adequate site inventory, Least Cost Zoning, GP consistency, etc.) and being extended each legislative session. Legislative efforts to being made to tie transportation funding to AH compliance.

In other words, we need to either address the problem or when the arithmetic (Adjusted max density - DA = AH) tells us the only remaining non DA DUs are AH, we've probably waited too long. Before reaching that point, we need a start:

First, the individual site assessment draft needs to be completed for review and revision;

Second, the Mixed Use/Traditional Neighborhood draft from PMC needs to be completed for review and revision;

Third, as state mandated, the Density Bonus ordinance needs to be completed for review and revision. This law requires waivers and incentives.

Fourth, A draft inclusionary zoning ordinance should also be prepared for review, including waivers and incentives. This should address whether a AH fee should be linked to all building permits;

Fifth, a draft of the Zoning Ordinances needs to be completed for review and revision.