## Update on Impact of Measure E on General Plan Housing Element

**Board of Supervisors** December 12, 2016

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## Presentation Overview

- **1.** Purpose
- 2. Background
  - Housing Element Requirements
  - Regional Housing Needs Allocation
  - 2008 General Plan Measure Y Reauthorization
- 3. Discussion
  - 2013-2021 Housing Element Adequate Sites Inventory
  - Measure E 2016 Adequate Sites Analysis
  - Conclusions & Findings
  - Potential Effects/Inconsistencies of Measure E with General Plan
- 4. Recommendation
  - Options for Interim Implementation
  - Options for Development of Affordable Multi-Family Housing





## Purpose

- Address Board's direction on August 30, 2016
- Update and provide additional information on impact of Measure E General Plan Policy amendments on sites identified in 2013-2021 Housing Element adequate sites inventory necessary to satisfy County's Regional Housing Needs Allocation (RHNA)
- Identify potential measures that maintain General Plan consistency, and address governmental constraints





- June 7, 2016 County voters passed Measure E ("Reinstate Measure Y's Original Intent – No More Paper Roads")
- Amended General Plan Transportation and Circulation Element Policies TC-Xa, TC-Xf, and TC-Xg
- CA Gov't Code 65863 requires inventory of adequate sites available to meet the RHNA to be maintained throughout the planning period of the Housing Element
- Created potential regulatory barriers and economic constraints to meeting County's Regional Housing Needs Allocation (RHNA)





- Regional Housing Needs Allocation (RHNA) Part of statemandated Housing Element law (Gov't Code Sections 65580 et seq.)
  - Total housing units jurisdiction must plan for within an 8-year planning period
  - Jurisdiction must identify "adequate sites" to accommodate this growth
  - If jurisdiction fails to identify adequate sites, Housing Element law requires jurisdiction to rezone sites as necessary to accommodate its RHNA
- Housing Element (including "adequate sites" analysis) is submitted to State Dept. of Housing and Community Development (HCD) for certification of State law compliance
  - HCD certified County's Housing Element in Nov. 2013





HCD provides regional data to Sacramento Area Council of Governments (SACOG) Each city and county in SACOG Regional **Housing Needs Plan** receives a RHNA

Based on 2013-2021 **RHNA** (West Slope) the County must plan for:

2,357 low to moderate income housing units,

1,591 above moderate income housing units



#### 2008 General Plan Measure Y Reauthorization

- HCD concern of Measure Y's impact on multi-family sites:
  - Effect of significantly higher costs of off-site improvements
  - Effect of high cost of Traffic Impact Mitigation (TIM) fees
  - Measure Y's effect on overall feasibility of development
- To address HCD's concern, County submitted to voters revised Measure Y to address multi-family units and implemented a fee waiver (offset) program to assist affordable housing projects (Board Policy B-14)
- Revised TC-X policies as a result of Measure E now require multifamily discretionary projects to construct roadway improvements





- 2013-2021 Housing Element Adequate Sites Inventory
  - 2013-2021 land inventory identified 148 parcels designated multi-family totaling 450 acres (West Slope) to accommodate County's required share of housing for low to moderate income households
  - Approx. 4,016 multi-family dwelling units could be built on the 450 acres of vacant/underutilized land
    - Oversupply to address "no net loss" requirements
  - Approx. **70 %** of all parcels zoned for multi-family uses have a Design Control or Historical overlay – subject to discretionary action and TC-Xa and TC-Xf requirements





- 2013-2021 Housing Element Adequate Sites Inventory (continued)
  - Most of County's multi-family zoned land is within Community Regions near Highway 50
  - Most of roads that will reach unacceptable LOS in future without improvements are also near Highway 50
  - Adequate Sites will face offsite infrastructure requirements and may be unbuildable until County or other party makes the roadway improvements





#### Measure E 2016 Adequate Sites Analysis

- Assessed adequate sites for multi-family units available to meet County's RHNA, given changes to TC-Xa and TC-Xf amended by Measure E
- Determined which parcels may have new regulatory barriers
- Concluded that changes to TC-Xa and TC-Xf has potential to reduce availability of adequate sites needed to meet County's statutory requirement for regional housing needs by up to 57 % by 2021
- Creates potential General Plan consistency conflict with Housing Element and State Law





#### Assumptions and Methodology

- Historical growth rate of **1.03** % per year through 2035
- Residential Growth Distribution 75 CR/25 RA split between Community Regions and Rural Area (20-Year Growth Forecast presented to Board on April 8, 2014)
- Future roadway capacity deficiency analysis assumes no further roadway capacity improvements, beyond improvements under construction as of January 1, 2015





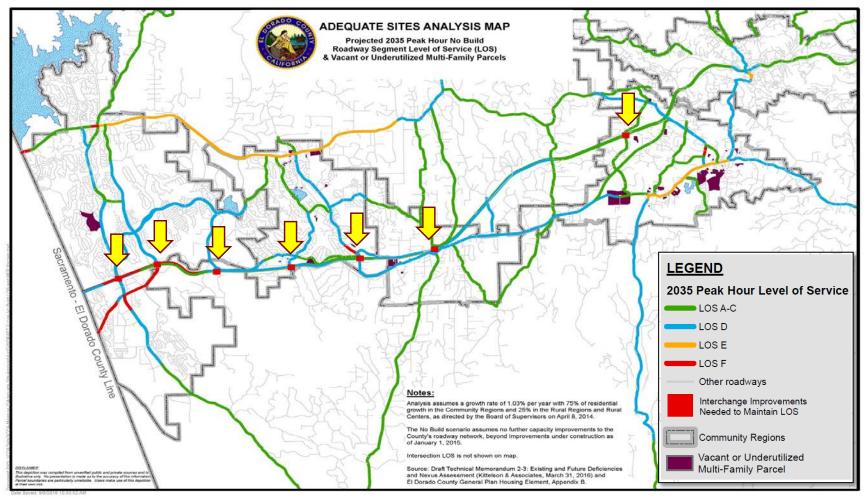
#### Adequate Sites Analysis Map

- LOS calculated based on procedures and methodologies in 2010 Highway Capacity Manual (Transportation Research Board, 2010)
- Displays 2035 peak hour LOS (for worst peak hour) for each roadway or freeway segment
- Displays interchange locations (red squares/yellow arrows) where improvements will be required to maintain acceptable LOS through 2035
- Parcels highlighted in purple are vacant or underutilized with multi-family General Plan and zoning designations





## Adequate Sites Analysis Map



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#### Measure E Amendment to Policy TC-Xa

- Expanded to apply to more than single family detached residential subdivisions of 5 or more parcels
- Multi-dwelling discretionary projects (e.g., any residential project of
  5 or more units) must now comply with requirement to construct roadway improvements as mitigation for traffic impacts.
- Cost to construct roadway improvements can make multi-family projects infeasible





#### Adequate Sites Analysis Conclusions

- Measure E changes to TC-Xa and TC-Xf has potential to reduce availability of adequate sites needed to meet County's <u>statutory requirement for regional housing needs</u> by up to 57 % by 2021 (and up to 87% by 2035)
- Measure E changes to Policies TC-Xa and TC-Xf could affect
  31 parcels (260 acres), reducing available land inventory to
  190 acres
- Approx. **1,716** achievable units could be built **by 2021** (if each parcel is approved and developed at max. realistic capacity)
- This number is below (-641) County's fair share of RHNA for 2021 which is **2,357** units for low to moderate income households





- Adequate Sites Analysis Conclusions (continued)
  - Majority of remaining 76 acres potentially unaffected by Measure E are located in rural areas of Camino-Pollock Pines and Cool, where existing and planned growth would not result in unacceptable LOS
  - These areas have other constraints such as no public sewer facilities
  - Remainder of available multi-family land consists of small parcels (less than one acre) with a realistic capacity of 4 or fewer dwelling units





#### Adequate Sites Analysis Finding

- Measure E could have potential impacts to Housing Element including not meeting requirements to accommodate County's fair share of RHNA, and not maintaining "adequate sites" pursuant to state housing element law [Gov't Code Section 65583]
- General Plan and its implementing directives would be ineffective in minimizing cost impacts on the County's affordable housing goals and objectives
- Implementation of Housing Element goals Measure E creates potential General Plan consistency conflict with Housing Element and State Law [See Exhibit B of Staff Memo]





- Potential Effects/Inconsistencies of Measure E Amendments with General Plan Goals, Policies, and Measures
  - Potential reduction in number of housing units needed to meet RHNA requirements per state law is inconsistent with Housing Element
  - Existing mitigation policies may no longer be sufficient for private development of affordable multi-family housing due to added regulatory and economic constraints of TC-X policies amended by Measure E.





- Potential Effects/Inconsistencies of Measure E Amendments with General Plan Goals, Policies, and Measures (continued)
  - General Plan policies, objectives, and implementation measures identified as being affected by Measure E (listed on Exhibit B):
    - Housing Element
      9 policies and 12 out of 40 implementation measures
    - Transportation and Circulation Element
      1 policy and 2 implementation measures
    - Public Services and Utility Element
      1 objective and 2 policies
    - Economic Development Element 2 policies





#### Options for Interim Implementation and Development of Affordable Multi-Family Housing/RHNA

a. Develop and adopt design standards to provide for ministerial review of affordable multi-family development in accordance with Housing Element Policy HO-1.16: "The County shall minimize discretionary review requirements for affordable housing." Standards may also be developed for ministerial review of commercial and/or small projects.





- Options for Interim Implementation and Development of Affordable Multi-Family Housing/RHNA (continued)
  - Develop an Affordable Housing Ordinance to provide a regulatory framework for new residential development to include housing opportunities for households of low, very low and extremely low income
  - c. Remove Design Control (-DC) and Historic (-DH) Combining Zone Districts to provide for ministerial review of affordable multi-family development





- Options for Interim Implementation and Development of Affordable Multi-Family Housing/RHNA (continued)
  - d. Reprioritize CIP infrastructure priorities to accommodate reasonable capacity for affordable housing
  - e. Redefine definition of "worsen" allowing overriding benefits and statutory requirements of and for affordable housing
  - f. Identify additional parcels of land that support affordable housing and do not have potential to worsen road conditions requiring costly off-site road improvements





- Options for Interim Implementation and Development of Affordable Multi-Family Housing/RHNA (continued)
  - g. Consider project review level exemption to policies TC-Xa, TC-Xf, and TC-Xg for the construction of housing units affordable to very low to moderate income households.
  - h. Delay additional action until a determination by the state or a court is issued requiring action by the County
  - Consider preparing an initiative to amend the General Plan to address Housing Element law and General Plan goals as they relate to affordable housing requirements.





- California Environmental Quality Act (CEQA)
  - State CEQA law that requires the disclosure of environmental impacts of a project
- County Budget and Measure E Impacts
  - Staff labor hours.
  - Additional Costs





# Next Steps

- Consider the options provided, as well as any other options not included here
- Provide direction to staff regarding the Board's preferences for next steps
  - Staff will return to Board with requirements to implement Board's direction including: estimated staff resource requirements, estimated cost, and estimated timeline.

