Board Meeting Date: December 6,2022

Special Notice / Hearing: None Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Community Development Director

Subject: EXECUTIVE SUMMARY: Submission of the County's draft updated 2023-

2031 Housing Element to the California Department of Housing and

Community Development for review and comment.

RECOMMENDATION:

Adopt a resolution directing the Community Development Director to submit the draft updated 2023-2031 Housing Element to the California Department of Housing and Community Development for review and comment.

BACKGROUND AND DISCUSSION:

<u>Background</u>. The Housing Element is a required component of the General Plan, mandated by State Law. State law also mandates periodic updates to, and specific contents of the Housing Element, which include: identification of housing need; goals, policies and programs to address need; identification of developable sites to meet the County's share of housing need over the next 8 years; an assessment of constraints to housing production; evaluation of the existing Housing Element; and an assessment of how the County's policies, programs, and housing sites affirmatively further fair housing.

<u>Update and Adoption</u>. The current Housing Element covers the period from 2014 to 2022. The updated Housing Element will replace the existing Housing Element and cover the period from 2023 to 2031. The County must submit the updated Housing Element to HCD for review and comment prior to adoption.

County staff worked on the update to the Housing Element throughout 2021 and 2022, in collaboration the Housing Department, Office of Sustainability, Department of Health, Office of Community Affairs, and with assistance from a consulting firm, Baird + Driskell, which worked with various subconsultants to provide assistance on public outreach and participation, technical analysis, fair housing analysis, and other tasks.

<u>Public Participation</u>. The Housing Element update process involved significant community outreach and input, including Countywide forums, stakeholder listening sessions, webinars, hearings and forums at local community councils and other groups, two housing element websites, a mailing list, multiple surveys, and various other forms of public and stakeholder comment and input.

<u>Draft Updated Housing Element</u>. The Public Review Draft of the 2023-2031 San Mateo County Housing Element is available on the <u>Planning and Building Department website</u>. The Housing Element is organized in the following sections:

- 1. <u>Introduction and Executive Summary</u>, providing an overview of the contents of the Housing Element.
- 2. <u>Housing Plan: Goals, Policies and Programs</u>. This section of the Housing Element contains the County's Housing Plan, which presents the goals, policies and programs for addressing the County's housing needs, resources and constraints described in the Housing Element. The section is divided in six goals:
 - Protect Existing Affordable Housing Stock
 - Support New Housing for Extremely Low to Moderate-Income Households
 - Promote Sustainable Communities through Regional Coordination Efforts and Locating Housing Near Employment, Transportation, and Services
 - Promote Equal Housing Opportunities
 - Promote Equity through Housing Policy and Investments
 - Require or Encourage Energy Efficiency, Resource Conservation, and Climate Resiliency Design in New and Existing Housing

Each goal is implemented by various programs and policies, with specific measurable objectives, concrete timelines for completion, and identification of entities responsible.

Regional Housing Needs Assessment (RHNA) and Adequate Sites Inventory. A key component of the Housing Element is identification of sufficient development capacity to meet the County's housing need over the next 8 years. The RHNA includes total projected residential units needed to meet demand, and a breakdown of units needed by income level. The County's RHNA is shown below.

San Mateo County RHNA, 2022 - 2031

Income Category	% of County Area Median Income (AMI)	Units	% of Units
Very Low	0-50%	811	29%
Low	51-80%	468	17%
Moderate	81-120%	433	15%
Above Moderate	120% +	1,121	40%
Total		2,833	100%

The County's capacity to meet its RHNA through current and future development, without zoning changes, is made up of 675 units from vacant single-family sites, 250 units from vacant multifamily sites, 1,384 units from non-vacant redevelopable sites,

726 units from pipeline projects already underway, 355 projected ADUs, and 176 units of projected development pursuant to SB 9, for a total of 3,580 units. While this provides sufficient capacity to meet the County's RHNA overall, it leaves a 129-unit deficit in the very low-income category, and very little surplus in the low- and moderate-income categories. To address this, the Housing Element includes a Rezoning Program that identifies up to 89 parcels, constituting approximately 30 acres, located in the unincorporated Colma, Broadmoor, and Harbor Industrial areas, currently zoned either for commercial and industrial development, or for very low intensity residential development, that can be rezoned to provide additional capacity to meet the County's RHNA. The County's RHNA capacity with the rezoning program is shown below.

RHNA vs DEVELOPMENT CAPACITY (with rezoning)

Income Category	RHNA	Total Units	Original Surplus/ (Deficit)	Units from Rezoning	Surplus/ (Deficit) w/ Rezoning
Very Low	811	690	(121)	513	392
Low	468	627	159	513	672
Moderate	433	508	75	513	588
Above Moderate	1,121	1,589	468	395	863
Total	2,833	3,414	581	1,934	2,515

Note: total may not sum due to rounding.

<u>Background Appendices.</u> Analysis, data, supporting information, and other materials informing the policies and programs in the Housing Element, describing the methodologies for the adequate sites inventory, and meeting the various requirements of state law, are included in multiple appendices:

- A. Demographics, Housing Conditions and Needs
- B. Housing Constraints Analysis
- C. Housing Resources
- D. Assessment of Prior (2014-2022) Housing Element
- E. Detailed Sites Inventory and Methodology
- F. Public Outreach and Participation
- G. Analysis of Fair Housing

<u>HCD Submittal, Review, and Adoption Strategy</u>. Adoption of the updated Housing Element constitutes a General Plan text amendment, enacted by the Board of Supervisors. The Housing Element must be submitted to HCD for review prior to adoption. After HCD review, staff will incorporate any necessary changes in the draft Housing Element, and the Housing Element would be returned to the Board for further review and adoption. Because the current action is limited to submittal to HCD, environmental review of the Housing Element in the form ultimately presented for adoption to the Board of Supervisors would be conducted after HCD review.

The resolution has been reviewed and approved by County Counsel as to form.

FISCAL IMPACT:

There is no fiscal impact from submittal of the Housing Element to HCD.