



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Planning and Building



Date: March 26, 2015
Board Meeting Date: April 28, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Acting Community Development Director

Subject: Resolution adopting the County's updated 2014-2022 Housing Element, as reviewed and certified by the California Department of Housing and Community Development.

RECOMMENDATION:

1. Find that the proposed updated Housing Element of the General Plan, as reviewed and certified by the California Department of Housing and Community Development, is internally consistent with the remainder of the County's General Plan, as adopted in 1986, and as subsequently amended by the Board of Supervisors.
2. Find that adoption of the updated Housing Element advances the County's intent, as described in the County's Shared Vision 2025, to promote affordable, livable connected communities.
3. Find that adoption of the updated Housing Element is consistent with the requirements of State Housing Element law, including both substantive and procedural requirements, and with the requirements for a timely update on the schedule established in the California Government Code.
4. Adopt, by resolution, a General Plan text amendment replacing the current Housing Element.

BACKGROUND:

This item consists of a General Plan text amendment, adopting the County's updated 2014-2022 Housing Element, and replacing the current Housing Element of the County General Plan. The updated Housing Element was previously reviewed by the Board and submitted to the California Department of Housing and Community Development (HCD), which has reviewed the Housing Element and, contingent on minor changes, certified it as compliant with State law.

The draft of the updated San Mateo County Housing Element, including minor modifications to address HCD comments, is available here:
<https://planning.smcgov.org/sites/planning.smcgov.org/files/SMCo%20Draft%20HE%202014-2022%201-13-15BA-2.pdf>

HCD's letter of certification is included as Attachment C.

Report Prepared By: William Gibson, Project Planner, Telephone 650/363-1816

Applicant: San Mateo County Planning and Building Department

Location: N/A (Countywide)

APNs: N/A (Countywide)

Environmental Evaluation: Staff completed an Initial Study of the project, indicating that adoption of the updated Housing Element will not have any significant environmental impacts. The Board of Supervisors certified the Negative Declaration as complete and correct on January 27, 2015.

DISCUSSION:

A. KEY ISSUES

1. The Housing Element and the Update Process. The Housing Element is a required component of the County's General Plan, mandated by State law. All local jurisdictions are also required to periodically update the Housing Element, on a schedule established by the State. The current Housing Element covers the period from 2007 to 2014; the updated Housing Element, on adoption, replaces the existing Housing Element, and covers the period from 2014 through 2022.

By law, the County must submit the updated Housing Element to the California Department of Housing and Community Development (HCD) for review and approval; until certification by HCD, the Housing Element is not legally valid. The Board of Supervisors reviewed the updated Housing Element on January 27, 2015, and directed staff to submit it to HCD for review; HCD subsequently suggested minor changes, and certified the Housing Element, contingent on those changes, as compliant with State law. The final version of the Housing Element currently under consideration incorporates the changes made during HCD's review. The County must adopt the certified Housing Element by the State-established deadline of May 31, 2015.

2. Changes During HCD's Review. The following changes to the Housing Element were made during HCD's review:

- a. *Statement of the County's compliance with the California Employee Housing Act.* Footnotes added to the Housing Element on pages 70 and 225 stipulate that the County's permitting procedures for Farm Labor Housing units, as amended since adoption of the previous Housing Element, are consistent with the California Employee Housing Act.
- b. *Changes to table of permitting procedures.* Table 4-10 on page 60, which indicates how the County permits various residential uses, was modified to reflect changes in permitting of Emergency Shelters and Transitional and Supportive Housing uses, as recently adopted by the Board of Supervisors.
- c. *Additional detail on redevelopment assumptions.* Supporting information was provided as a note to Table 9-7 to describe the assumptions and supporting data used in analyzing sites in the County that have the potential for redevelopment.
- d. *Clarification of Affordable Housing Overlay Zoning.* A sentence added to Policy 12.2 on page 306 clarifies that any incentives and requirements in a potential affordable housing overlay zone would be in addition to, and would not conflict with, the existing provisions of the County's Density Bonus Ordinance.
- e. *Policies on lot consolidation and promotion of small lot development.* Policy 19 discusses the County's desire to promote the development of small and substandard lots and promote the creation of tiny houses. This policy was rewritten to strengthen potential incentives, commit to more detailed analysis of areas of small and substandard lots, and commit to a broader exploration of policy options, including options to promote consolidation of multiple lots in common ownership.
- f. In addition, several policies were rewritten in minor ways to eliminate language that was duplicative of existing language in other policies; the substance of the policies was not changed by these edits.

The draft of the updated San Mateo County Housing Element, as modified during HCD's review, is available here:

<https://planning.smcgov.org/sites/planning.smcgov.org/files/SMCo%20Draft%20HE%202014-2022%201-13-15BA-2.pdf>

HCD's review and certification letter is included as Attachment C.

The edited portions of the Housing Element discussed above are included as Attachment B.

3. Regional Housing Needs Allocation. A core component of the Housing Element, and one of the most important legal requirements, is a demonstration that the County can meet its Regional Housing Needs Allocation, or “RHNA.” The RHNA is the County’s share of overall regional housing need, as determined by the State of California and the Association of Bay Area Governments, and modified and agreed to by the local San Mateo County jurisdictions through a collaborative process. San Mateo County’s RHNA for the 2014-2022 period is:

Income Category ¹	Units Needed
Extremely Low (up to \$33,950)	77
Very Low (between \$33,950 and \$56,550)	76
Low (between \$33,950 and \$90,500)	103
Moderate (between \$90,500 and \$123,600)	102
Above Moderate (greater than \$123,600)	555
Total	913
¹ Income category from 2014, based on a family of four.	

None of the changes to the Housing Element made during HCD’s review impact the County’s ability to meet the RHNA. The County has sufficient developable and redevelopable sites to meet its RHNA, as shown in the table below.

Table 9-6 RHNA vs. Capacity of Developable and Redevelopable Sites San Mateo County, 2014-2022			
Income Category	Units Needed	Capacity of Available Sites	Surplus/ (Deficit)
Extremely Low Income	77	87	10
Very Low Income	76	85	9
Low Income	103	104	1
Moderate Income	102	104	2
Above Moderate Income	555	1,269	714
Total	913	1,648	735
<i>Note: Capacity of Available Sites includes units already approved, but not yet built, and units on developed sites that could be redeveloped at higher intensities. Only parcels that could be developed without changes to zoning and/or land use are included.</i>			

4. Conclusion. The Housing Element was updated in collaboration with the County Housing Department, and augmented by significant input from the

21 Elements Collaborative, County residents, and a variety of stakeholders, including advocates, policymakers, developers, and others. Several policies were added to the Housing Element as a direct result of public and stakeholder input. Public input also resulted in changes to the housing sites inventory, as did input from the Planning Commission, resulting in a more accurate and robust inventory. The Housing Element was previously reviewed by the Board of Supervisors, and subsequently reviewed and certified, with minor changes described above, by HCD. The Housing Element accurately and adequately reflects both the analytical detail required by State law, and the County's overall housing policy direction, and provides appropriate guidance for policy and program implementation over the next seven years.

B. ALTERNATIVES

The County is required by State law to update the Housing Element of the General Plan, on a schedule also prescribed by law. There is no feasible, legal alternative to updating the County Housing Element.

C. ENVIRONMENTAL REVIEW

Pursuant to California Environmental Quality Act, staff completed an Initial Study for this project. Based on the analysis and findings of the Initial Study, the project has no potentially significant environmental impacts, and a Negative Declaration has been prepared. The Initial Study and Negative Declaration were posted on November 26, 2014, and the Board of Supervisors certified the Negative Declaration on January 27, 2015.

D. REVIEWING AGENCIES

San Mateo County Housing Department; County Counsel

The adoption of the updated Housing Element contributes to the 2025 Shared Vision outcome of a Livable Community by promoting affordable, livable connected communities.

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FISCAL IMPACT:

There is no direct fiscal impact to the County from adoption of the updated Housing Element, although policies and programs in the Housing Element commit the County to pursue various actions that might ultimately require indeterminate amounts of funding, some of which might be provided by grants or other external sources, but some of which might require direct County resources. The nature and type of this funding would be

determined as these policies and programs are further explored. Foregoing adoption of the Housing Element would place the County out of compliance with State Housing Element law, with the consequence that the County's HOME funding, and other sources of funds provided to the County Housing Department from the California Department of Housing and Community Development, could be curtailed.

ATTACHMENTS:

- A. Recommended Findings
- B. Updated Housing Element – Edits
- C. HCD's Review and Certification Letter, dated March 25, 2015

COUNTY OF SAN MATEO
PLANNING AND BUILDING DEPARTMENT

RECOMMENDED FINDINGS

Permit File Number: PLN 2014-00386

Board Meeting Date: April 28, 2015

Prepared By: William Gibson
Project Planner

For Adoption By: Board of Supervisors

RECOMMENDED FINDINGS:

Recommend that the Board of Supervisors:

1. Find that the proposed updated Housing Element of the General Plan, as reviewed and certified by the California Department of Housing and Community Development, is internally consistent with the remainder of the County's General Plan, as adopted in 1986, and with all subsequent amendments to the County General Plan.
2. Find that adoption of the updated Housing Element advances the County's intent, as described in the County's Shared Vision 2025, to promote affordable, livable connected communities.
3. Find that adoption of the updated Housing Element is consistent with the requirements of State Housing Element law, including both substantive and procedural requirements, and with the requirements for a timely update on the schedule established in the California Government Code.
4. Adopt, by resolution, a General Plan text amendment replacing the current Housing Element of the General Plan with the updated 2014-2022 Housing Element.