

County of San Mateo

Inter-Departmental Correspondence

Department: PLANNING AND BUILDING

File #: 24-269 Board Meeting Date: 4/23/2024

Special Notice / Hearing: 10-day notice

publication

Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Director of Planning and Building

Subject: Certification of a Negative Declaration and adoption of the 2023-2031 San Mateo

County Housing Element of the General Plan

RECOMMENDATION:

Conduct a public hearing to consider certification of a Negative Declaration pursuant to the California Environmental Quality Act, and adoption of a General Plan amendment repealing the 2014-2022 San Mateo County Housing Element and adopting the 2023-2031 San Mateo County Housing Element of the General Plan:

- A) Open public hearing
- B) Close public hearing
- C) Recommendation to:
 - Adopt a resolution adopting the Negative Declaration for a General Plan Amendment to repeal the 2014-2022 San Mateo County Housing Element of the General Plan and adopt the 2023-2031 San Mateo County Housing Element of the General Plan; and
 - 2. Adopt a resolution adopting a General Plan amendment to repeal the 2014-2022 San Mateo County Housing Element of the General Plan and adopt the 2023-2031 San Mateo County Housing Element of the General Plan, in compliance with state law, and directing submittal of the adopted Housing Element to the California Department of Housing and Community Development.

BACKGROUND:

<u>The Housing Element</u>. The Housing Element is a required component of the County's General Plan, mandated by State law. State law also mandates specific contents of the Housing Element, which include:

- 1. Identification of existing and projected housing needs for all segments of the community.
- 2. Goals, policies, quantified objectives, and scheduled programs to address housing needs.
- 3. Identification of developable or re-developable sites to meet the County's fair share of regional housing needs at all income levels over the next eight years.
- 4. An assessment of constraints on the development of housing.
- 5. An evaluation of the existing Housing Element.
- New in this housing element cycle, a specific assessment of how the County's housing policies, programs and identified sites for development affirmatively further fair housing (AFFH).

The County's current Housing Element, Chapter 7 of the General Plan, is available https://planning.smcgov.org/sites/planning.smcgov.org/files/documents/files/SMCo%20Adopted%20Housing%20Element%202014-2022%20(12-29-15).pdf.

<u>The Housing Element Update</u>. State law requires all local jurisdictions to periodically update the Housing Element of their General Plan, on a schedule established by the state. The current Housing Element covers the period from 2014 to 2022. The updated Housing Element will, on adoption, replace the existing Housing Element, and cover the period from 2023 to 2031.

<u>California Department of Housing and Community Development (HCD) Review and Comment</u>. The County is required to submit the updated Housing Element to HCD for HCD's review of its compliance with State law.

On recommendation of the Planning Commission and direction of this Board of Supervisors, the County submitted its updated Housing Element to HCD on January 20, 2023. The Department of Housing and Community Development responded with a comment letter on April 20, 2023 determining that the Housing Element was not in compliance with State law, and recommending a number of changes to bring the Housing Element into compliance. The Department of Housing and Community Development's comment letter is included as *Attachment C*.

DISCUSSION:

Since receipt of HCD's comment letter, the County has revised the update in a manner that will ensure compliance with State law. The County completed its updates to the Housing Element in response to HCD and released the updated draft Housing Element on March 26, 2024.

<u>Collaborative Update Process</u>. The revisions to the draft Housing Element in response to HCD's comments were completed in collaboration with the Housing Department, Office of Sustainability, Department of Health, Office of Community Affairs, and other partners. In addition, the County relied on the assistance of multiple consultants, including Community Planning Collaborative, Economic and Planning Systems, and Root Policy. The Association of Bay Area Governments (ABAG) also provided significant technical assistance to all Bay Area jurisdictions.

<u>Adoption Process</u>. On adoption, the 2023-2031 Housing Element will replace the current Housing Element of the General Plan, constituting a General Plan text amendment, enacted by resolution of the Board of Supervisors.

Public Outreach, Participation and Input in the Housing Element Update. During the initial process of updating the Housing Element prior to submittal to HCD, the County engaged in a significant outreach and input process, to solicit robust participation and comment from community members, stakeholders, partner agencies, advocacy organizations, and other interested parties. The outreach and engagement process are described in Appendix F of the Housing Element. During the process of amending the Housing Element in response to HCD's comments, the County has continued to engage in dialogue with stakeholders and community members, to ensure that the Housing Element is not only responsive to HCD's comments and compliant with State law but to ensure the Housing Element meets the needs and goals of community members and the County. The Housing Element updated in response to HCD's comments is required to be circulated to the public for a minimum of 7 days. The updated Housing Element was released for public review on March 26, 2024.

Amended Draft 2023-2031 Housing Element. The full content of the draft 2023-2031 San Mateo County Housing Element is available here here here housing-element-update-2023-2031. Changes made subsequent to submittal to and response from HCD are shown in red text throughout the amended Housing Element. An inventory of the changes in response to HCD, and additional changes incorporated to address identified housing needs, is included as Attachment D. Changes incorporated in this updated draft include:

- 1. Additional data and analysis of housing conditions, housing constraints, housing needs.
- 2. Additional information and description of County regulations and policies.
- 3. More specificity and more detailed timelines, goals, milestones and objectives for Housing Element programs.
- 4. More detailed information on County's compliance with various State law.
- 5. A new Rural South Coast Housing Study and Strategy.
- 6. A comprehensively updated Farm Labor Housing Study and Strategy.
- 7. An initial study of a Community Plan for Pescadero.
- 8. A site-by-site assessment of the feasibility of developing farm labor housing in the County's Coastal Zone.
- 9. A commitment to encouraging the use of local labor and providing publicly available labor resources.
- 10. Creation of an ADU resource center to facilitate and incentivize the creation of accessory

dwelling units.

11. Various other expanded programs committing to development of housing and housing assistance to various special needs populations, including farm laborers, the homeless, low-income seniors, large families, and female-headed households.

The most substantive changes are 1) a comprehensively revised Sites Inventory and Rezoning Program, demonstrating that the County has sufficient developable sites to meet its share of regional housing need over the next 8 years, and 2) a more robust analysis of fair housing issues and incorporation of new fair housing programs.

Sites Inventory and Rezoning Program. The amended Housing Element includes a comprehensive revision of the Sites Inventory and Rezoning Program, demonstrating County's ability to meet Regional Housing Needs Allocation (RHNA). The updated Sites Inventory and Rezoning Program are based on significant new analysis of recent development patterns, trends, and types to justify development feasibility projections, resulting in changes to projections of development and redevelopment of existing sites, and an expansion of rezoning program to include more sites in more County areas, at greater densities. The resulting projected development capacity in comparison to the County's RHNA is shown below. The locations of sites in the Sites Inventory and Rezoning Program are included as *Attachment E*, and can be viewed through the County's Sites Inventory Viewer, available here here here here here here https://smcmaps.maps.arcgis.com/apps/webappviewer/index.html?

RHNA vs DEVELOPMENT CAPACITY

Income Category			MFR	Vacant	Pipeline (RHNA Credits)		Rezoninç Program		Surplus/ (Deficit)
Very Lov	811	0	23	253	254	0	619	1,150	339
Low	468	0	23	253	196	60	619	1,152	684
Moderate	433	0	23	253	44	120	619	1,060	627
Above Moderate	1,121	383	27	253	147	60	619	1,490	369
Total	2,833	383	98	1,011	641	240	2,477	4,850	2,017

Appendix E of the Housing Element includes the full Adequate Sites Inventory and Rezoning Program methodology, including a detailed inventory and description of developable and redevelopable sites; units that will be created by projects already underway; projected future development of ADUs; and development capacity that will be created through rezoning of identified sites. The combination of these categories demonstrates that the County has sufficient capacity to meet its 2023-2031 RHNA, in total and by income level.

<u>Fair Housing Analysis and Programs.</u> Fair housing is the condition in which all residents, regardless of race, ethnicity, gender, income, class, sexual orientation, ability status, or other status have equal access to housing. The County's assessment of fair housing issues is included in the Housing Element in Appendix G, and the County's fair housing programs are found throughout the Housing Plan in Section 2 of the Housing Element and are aggregated in the fair housing plan in Appendix G-5.

In response to HCD's comments on the fair housing components of the County's Housing Element, the County revised and expanded its analysis of fair housing issues. Changes include:

More analysis and description of:

- 1. Integration and segregation, disparities in opportunity.
- 2. Areas of racially concentrated poverty and affluence.
- 3. Displacement risks, particularly from natural disaster.
- 4. Homelessness, other special needs populations.
- 5. Fair housing implications of the Sites Inventory and Rezoning Program.

In response to HCD's comments and the findings of the expanded analysis, several new fair housing programs have been added to the Housing Element, including:

- 1. Consolidation and publication of fair housing resources.
- 2. Dedication of federal and local funds to fair housing assistance enforcement.
- 3. Expansion and targeting of housing funding to special needs populations.
- 4. Funding for large family households.
- 5. Funding for affordable housing linked to childcare.
- 6. Various programs supporting development of farm labor housing.
- 7. Develop multilingual regional online affordable housing program.
- 8. Submission of Equity Plan to the Federal Department of Housing and Urban Development.

<u>Planning Commission Review and Recommendation.</u> The Planning Commission considered the updated Housing Element and the associated Initial Study and Negative Declaration on April 10, 2024 and recommended that this Board of Supervisors adopt, by resolution, the General Plan amendment replacing the current Chapter 7 of the General Plan with the updated 2023-2031 Housing Element and adopt a resolution certifying the associated Initial Study and Negative Declaration as complete and correct.

<u>Public Review and Submittal to HCD</u>. The Housing Element was made available for public comment beginning on March 26, 2024. At this Board's direction, the Housing Element will be resubmitted to HCD the week of April 24, 2024.

ENVIRONMENTAL REVIEW:

Adoption of the updated Housing Element is a project requiring environmental review under the California Environmental Quality Act (CEQA). The County prepared an Initial Study and Negative Declaration for the Housing Element, in compliance with CEQA. The Initial Study and Negative Declaration determined that, as a programmatic document that does not directly impact the environment absent subsequent implementation actions which will require evaluation independently pursuant to CEQA as they are implemented, adoption of the Housing Element has no potential environmental impacts. Subsequent implementation of some programs in the Housing Element will require additional environmental review, which will take place as those programs are implemented. The Initial Study https://www.smcgov.org/media/143637/download?attachment and Negative Declaration Negative Declaration <a href="https://www.smcgov.org/media/143638/download?attachm

FISCAL IMPACT:

There is no fiscal impact to the County from adoption of the Housing Element.

ATTACHMENTS:

- A. Negative Declaration for the Housing Element
- B. Exhibit A to Resolution 2 San Mateo County 2023-2031 Housing Element March 2024 Public Review Draft
- C. HCD Comment Letter, April 20, 2023
- D. Inventory of Housing Element Changes
- E. Sites Inventory and Rezoning Program Maps