

**CONTRA COSTA COUNTY PLANNING COMMISSION
TUESDAY, JUNE 23, 2009, 7:00 P.M.**

2009 HOUSING ELEMENT UPDATE

STAFF REPORT AND RECOMMENDATIONS

I. INTRODUCTION

2009 HOUSING ELEMENT UPDATE, CONTRA COSTA COUNTY GENERAL PLAN, 2005-2020 (County File # GP 08-0005): The County's current Housing Element was adopted by the Board of Supervisors in 2001 and certified by the California Department of Housing and Community Development (HCD) in 2002. The approved 2001 Housing Element was subsequently included without significant change in the reconsolidation of the County General Plan in 2005. Pursuant to Assembly Bill 2158 (Statutes of 2004, Chapter 696), the County has prepared the 2009 Housing Element Update for submission to the HCD. The reporting period for the Housing Element Update runs from 2007 to 2014. The geographic area covered by the Housing Element is the unincorporated portion of Contra Costa County. The 2009 Housing Element Update is consistent with the General Plan, and it satisfies State regulations and HCD guidelines. Attached to this staff report is a copy of the *draft* 2009 Housing Element Update, as revised in response to comments received from HCD.

II. CEQA AND RELATED ACTIONS

An Initial Study has been prepared for this project and on March 16, 2009 the Department of Conservation and Development issued a Notice of Public Review and Intent to Adopt a Negative Declaration of Environmental Significance. The comment period on the adequacy of environmental review for this project concluded on April 16, 2009. No comments were received. A copy of the Initial Study / Negative Declaration prepared for the 2009 Housing Element Update is attached for the Commission's consideration.

III. RECOMMENDATION

Staff recommends the County Planning Commission forward a recommendation to the Board of Supervisors as follows:

- A. Adopt the proposed Negative Declaration determination for this project for the purposes of compliance with the California Environmental Quality Act (CEQA).
- B. Adopt the 2009 Housing Element Update (County File: GP#08-0005), as revised in response to comments received from the California Department of Housing and Community Development. The adoption of the Housing Element update would supersede and replace the text and maps for Chapter 6. Housing Element and related appendices contained within the Contra Costa County General Plan (2005-2020).
- C. Authorize the Department of Conservation and Development upon adoption of the 2009 Housing Element Update to evaluate and report on potential opportunity sites for the establishment of higher density residential and/or mixed use development in suitably located unincorporated communities and neighborhoods other than redevelopment project areas with the goal of providing for a more equitable distribution of affordable housing opportunities. The report findings should be presented to the County Planning Commission and the Board of Supervisors.

IV. ROLE AND CONTENT OF THE HOUSING ELEMENT

The Housing Element has two main purposes: (1) to provide an assessment of current and future housing needs and an inventory of resources and constraints to meeting these needs; and, (2) to state the County's goals, objectives and strategies for the development of housing to meet the identified needs, including the need for housing affordable to lower-income households. This Housing Element update represents the long-term commitment to the development and improvement of housing in the unincorporated area of Contra Costa County with specific goals for the reporting period between 2007 and 2014. The 2009 Housing Element Update identifies strategies and programs that focus on:

- Preserving and improving housing and neighborhoods;
- Providing adequate housing sites and increasing the housing supply;
- Assisting in the provision of affordable housing;
- Removing governmental and other constraints to housing development; and,
- Promoting fair and equal housing opportunities.

The Housing Element update consists of the following major components:

- An analysis of the County's demographic profile, housing characteristics, and existing and future housing needs;
- A review of potential market, governmental, and environmental constraints to meeting the County's identified housing needs;
- An evaluation of the land, financial, and organization resources available to meet the County's housing need;
- An evaluation of past accomplishments under the current Housing Element; and,
- The County's five year Housing Plan to address the County's identified housing needs (through Yr. 2014), which sets forth housing goals, policies, and programs in seven specific program areas (Housing and Neighborhood Conservation, Housing Production, Special Needs Housing, Housing Affordability, Provision of Adequate Sites, Removal of Governmental Constraints, and Promotion of Equal Housing Opportunity).

V. PREPARATION OF THE HOUSING ELEMENT UPDATE

The preparation of the 2009 Housing Element Update has been a collaborative effort undertaken by the staff in the Advance Planning, GIS/Graphics, Housing, and Redevelopment sections within the Department of Conservation and Development. Various sources of information were used to prepare the Housing Element update, including the Census data from 2000 and to a limited extent data from the 1990 Census. Staff also contacted various housing industry representatives (for-profit and non-profit housing developers) in compiling data for the Housing Element.

The input and participation of the public has been encouraged during the preparation of the Housing Element update. Two publicly noticed study sessions were conducted at the County Planning Commission on July 8, 2008 and December 16, 2008. At the December 16, 2008 study session, staff presented to the Commission a working draft of the 2009 Housing Element Update along with a detailed presentation of the land inventory-vacant and underutilized sites prepared in support of the Housing Element Update.

Over 300 groups and individuals were notified of the opportunity to comment on the Housing Element update at these sessions. Staff has also conducted outreach presentations on the Housing Element update before community groups concerned with housing issues and has directly solicited input from the for-profit and non-profit housing developers. Copies of the draft Housing

Element Update have been made available for the public at selected County government offices, public libraries, and on the County's website. Finally, interested individuals may also comment at two public hearings on the Housing Element, including the June 23, 2009 hearing before the County Planning Commission and a public hearing before the Board of Supervisors which is to be scheduled.

VI. CONSISTENCY AND RELATIONSHIP TO THE GENERAL PLAN

The Housing Element is one of the seven mandatory elements to the General Plan as required under state law. State law contains requirements for the content of Housing Element that are more specific than the other required elements to the General Plan. The Housing Element is also unique in that it is the only element that is reviewed by the state and must be updated every five years. The Housing Element must be consistent with and build upon the other elements in the General Plan, including the Land Use, Growth Management, Transportation and Circulation, Open Space/Conservation and Public Facilities/Services elements.

Specifically, the 2009 Housing Element Update sets forth and expands upon policies for residential land use development in the unincorporated area as defined and described in the Land Use Element. The location of and densities for residential development within the unincorporated area, which are discussed in both the Housing Element Update and the existing Land Use Element, have been evaluated according to the conditions described in the Growth Management, Transportation and Circulation, Open Space/Conservation and Public Facilities/Services elements.

VII. COMMENTS FROM CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

As noted above, the Housing Element is unique in that state law mandates a review of the element by the California Department of Housing and Community Development (HCD). Contra Costa County's draft 2009 Housing Element Update was received by HCD on March 3, 2009 and pursuant to state law HCD completed its 60-day review by sending to the County its review letter on the draft element. Attached to this report for the Commission's consideration is a copy of the May 1, 2009 review letter from HCD.

Summary of HCD's Review Comments

- The element must project the number of extremely low-income (ELI) households, include objectives for ELI households, and analyze their housing needs for ELI households.
- The element must include overcrowding information by tenure.

- Non-vacant site analysis in the land inventory must provide further information to demonstrate the capacity of the non-vacant sites to be redeveloped for housing.
- The element must identify whether sufficient water and sewer capacity is available or planned to accommodate County's share of regional housing need.
- A timeline for the approval of the North Richmond Specific Plan referenced in the land inventory is needed.
- The element must include a map of showing the location of sites listed in the land inventory.
- The element must commit to identifying a zoning district and other necessary zoning text changes to allow emergency shelters by-right without a conditional use permit or other discretionary action.
- The element must explain how the Zoning Ordinance Code complies with requirement that transitional and supportive housing be permitted in all residential zoning districts.
- The element should describe how Single Room Occupancy (SRO) unit are permitted under the Zoning Ordinance Code and how development standards and permit procedures encourage and facilitate the use.
- The element must include a program to revise the County zoning ordinance code to permit by-right agricultural labor housing consistent with the California Health and Safety Code (Sections 17201.5 and 17201.6), which generally requires agricultural employee housing to be permitted by-right, without a conditional use permit, in a single family residential zones for less than six persons and in agricultural zones with no more than 12 units or 36 beds.
- The element must provide more analysis on the effect of site improvements, fees and exactions on total development costs and impact on housing supply and affordability, and potential governmental constraints to maintain, improve and develop housing.
- The element must analyze potential constraints on housing for persons with disabilities.
- The element must extend the analysis of the assisted housing units at-risk of conversion to market rate housing with the next 5 to 10 years.

VIII. STAFF ANALYSIS / DISCUSSION

The *draft* 2009 Housing Element Update attached to this report is revised from the earlier version that was previously presented to the Commission and subsequently submitted in February 2009 to HCD for review. This latest version of the Housing Element Update, dated June 2009, reflects revisions, additions, clarifications, and other changes to the element in direct response to HCD's May 1, 2009 review letter. An Errata Sheet is provided under Attachment #4 to this report to assist in tracking where revisions and additions have been made in response to HCD's review letter. The revisions and additions to the element provide clarification or elaboration in response to the HCD comments. The most substantive changes in this latest version of the element address the following HCD comments:

- Housing needs for extremely low income (ELI) households - there is now further elaboration or clarification in the element's text and program activities aimed at ELI households.
- Non-vacant sites analysis in the land inventory – inventory now includes additional analysis documenting conditions for non-vacant, underutilized sites where additional higher density residential at Mullin density could be accommodated.
- Infrastructure, specifically whether sufficient water and sewer capacity is planned to accommodate the County's share of regional housing needs there is now detail on water and sewer service providers to unincorporated communities under new Appendix C: Water and Sewer Service Providers, Unincorporated Communities (inside the ULL), *draft* Housing Element (June 2009).
- Site Improvement and Fees/Exactions – there is now further elaboration in the text on how the County's required site improvements for subdivisions and fees/exactions potentially affects housing supply and affordability.
- Senate Bill 2 mandates – the element now specifically commits to a program for necessary changes to the Zoning Ordinance Code to allow emergency shelters by-right in the C: General Commercial District; to revise the A: Districts to establish agricultural labor housing as a by-right consistent with Sections 17021.5 and 17021.6 of the California Health and Safety Code; and, to explain how the Zoning Ordinance Code complies with the S.B. 2 mandate to permit transitional and supportive housing in all residential zoning districts and to explain how Single Room Occupancy (SRO) units are permitted and how permit procedures encourage and facilitate the use.

As a final matter, in the course of preparing the land inventory – vacant and underutilized sites analysis, it has become apparent to staff that unincorporated communities with redevelopment project areas, such as Bay Point, North Richmond, and Rodeo, have a disproportionate share of the County’s affordable housing sites as compared to other unincorporated communities. More than 50% of the sites in the inventory identified as affordable housing (e.g. affordable to extremely low, very low, and low income households) are located within redevelopment project areas. This imbalance raises concerns about equity among the unincorporated communities in sharing in the responsibilities to provide affordable housing opportunities, and, whether the reliance on redevelopment project areas to provide affordable housing opportunities might potentially undermine other economic revitalization goals in such communities. To address this imbalance, staff is recommending that upon adoption of the Housing Element update the Department of Conservation and Development be authorized to evaluate and report on potential opportunity sites for the establishment of higher density residential and/or mixed use development in suitably located unincorporated communities and neighborhoods other than redevelopment project areas with the goal of providing for a more equitable distribution of affordable housing opportunities. The report findings should then be presented to the County Planning Commission and the Board of Supervisors for consideration and further policy direction.

Attachments (5)

- Attachment #1: *Draft* Contra Costa County Housing Element Update, June 2009
- Attachment #2: Land Inventory – Vacant & Underutilized Sites Analysis, Feb. 2009
- Attachment #3: Initial Study / Negative Declaration
- Attachment #4: Review of Contra Costa County’s Draft Housing Element, California Department of Housing and Community Development (HCD), letter dated May 1, 2009
- Attachment #5: Errata Sheet, listing revisions to 2009 Housing Element Update in response to May 1, 2009 review letter from HCD