

Mayor
John Murray
Mayor Pro Tem
Mary Hornsby
Council Members
John Flourde
Willard Rodarmel
William Siegel



**Planning
Department**

210 Fox Street
Lemoore, CA 93245
Phone (559) 924-6740
Fax (559) 924-6743

STAFF REPORT

Item # 4

To: Lemoore Planning Commissioners
From: Holly Smyth, Planning Director
Date: March 31, 2010
Subject: Proposed Final 2009-2014 Housing Element

Synopsis:

In collaboration with the Kings County Association of Governments, the City of Lemoore has prepared an update to the Housing Element of the General Plan for the 2009-2014 planning period. As required by state law, the Draft Element was submitted to the California Department of Housing and Community Development (HCD) for review, and on March 29, 2010 a letter was received from HCD finding that the draft Housing Element complies with all requirements of state law. Staff recommends that the Planning Commission hold a public hearing, receive public comments, and recommend adoption of the Housing Element to the City Council.

Background:

California Government Code Section 65302(c) mandates that each city and county shall include a Housing Element in its General Plan, and that the Housing Element be updated periodically to reflect current conditions and legal requirements. The City's previous Housing Element was adopted in 2003, and State law requires that the element be updated for the 2009 – 2014 planning period.

The Housing Element is required to identify and analyze existing and projected housing needs, and include statements of the City's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of housing. In adopting its Housing Element, the City must consider local conditions and context, including economic, environmental, and fiscal factors, as well as community goals as set forth elsewhere in the General Plan.

In cooperation with the Kings County Association of Governments, the County and the cities of Avenal, Corcoran, Hanford and Lemoore have collaborated to prepare a joint Housing Element document covering all five jurisdictions.

Housing Element Contents

The Housing Element is comprised of the following chapters:

- Introduction and overview of Housing Element contents and requirements (Chapter 1);
- Analysis of population, household and employment trends, characteristics of the housing stock, and a summary of current and projected housing needs (Chapter 2);

PLANNING COMMISSIONERS

Chairperson – Sharon Kendall *Vice-Chair* - Lisa Elgin
Bob Clement, Jim Marvin, Ron Meade, Marshall Norgaard, Mel Ormonde

"In God We Trust"

- Evaluation of resources and opportunities that will facilitate the development and preservation of housing for all economic segments of the community (Chapter 3);
- Review of potential constraints to meeting identified housing needs (Chapter 4);
- A Housing Plan to address identified needs, including housing goals, policies and programs (Chapter 5);
- Glossary of Terms (Chapter 6);
- Evaluation of housing accomplishments during the previous planning period (Appendix A);
- Inventory of potential sites for residential development (Appendix B); and
- Summary of public involvement during the Housing Element update process (Appendix C).

Legal Framework for the Housing Element

State law requires that Housing Elements comply with the statutory provisions of California Government Code Section 65580 et seq. The Housing Element is unique among General Plan elements in the extent to which State law prescribes local policies, and the legislature has granted the California Department of Housing and Community Development (HCD) the authority to review local governments' housing elements and issue findings regarding whether, in its opinion, the housing element substantially complies with the requirements of state law. Cities and counties are required to submit draft housing elements to HCD for review prior to adoption, and must also submit adopted elements for review. Failure to adopt a housing element that HCD finds to be in compliance with State law may result in the loss of eligibility for community development grant funds and jurisdictions may be required to prepare more frequent housing element updates in the future. Cities are also required to report annually to HCD regarding their progress in implementing the policies and programs contained in the Housing Element.

Relationship of the Housing Element to the General Plan

The Housing Element is one of the mandated elements of the General Plan under State law. While the time horizon for a General Plan is often 20 years or more, State law requires housing elements to be updated on a more frequent schedule. The new Housing Element covers the period 2009 – 2014.

State law also requires all elements of the General Plan to be internally consistent. The Housing Element contains policies and assumptions regarding housing development that are consistent with the land use patterns described in the Land Use Element. The programmatic actions called for in Chapter 5 of the Housing Element would not change the location or intensity of new residential development anticipated in the Land Use Element.

Key Issues

Since the Housing Element is revised periodically, this update represents a fine-tuning process rather than a wholesale overhaul. Many of the City's efforts have been successful and should be continued throughout the remainder of this planning period. Appendix A of the Housing Element includes a detailed review of previous policies and programs contained in the 2003 Housing Element, and identifies those components that are working well and those that should be revised to reflect changed circumstances or take advantage of new opportunities or lessons learned over the past few years.

Some new policies and programs contained in the draft Housing Element are the result of changes in State law or local conditions. The most significant of these proposed changes are summarized below:

A. REGIONAL HOUSING NEEDS ALLOCATION (RHNA) AND QUANTIFIED OBJECTIVES

The Regional Housing Needs Allocation (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing within each jurisdiction for the 7½-year period from January 2007 through June 2014. Communities must demonstrate how they will address this need through the process of updating the Housing Elements of their General Plans.

In determining the housing allocation for the five jurisdictions within Kings County, the Kings County Association of Governments (KCAG) developed an allocation methodology with the assistance of the Kings Regional Housing Technical Advisory Committee (KRHTAC). This methodology takes into account local growth assumptions and considers certain criteria as specified in Government Code §65584(a). The criteria used in this methodology include an analysis of available data on local housing, population, economic, and other growth factors. One growth assumption deemed relevant to housing growth and demand within Kings County is the housing needs of Naval Air Station Lemoore personnel. Although the housing unit allocations in the RHNA are not required to take into account the military base, the Indian reservation, or prison populations, the Naval Air Station Lemoore is identified as a relevant factor. Using the assumptions and methodology detailed within the RHNA plan, KCAG in coordination with the KRHTAC derived the distribution of each jurisdiction’s share of the regional housing need and allocated the units according to the four income categories for housing affordability.

The goal of the RHNA Plan is to promote a fair distribution of attainable housing among the four cities and the unincorporated County in a way that also helps to meet the state’s housing goals. Attainable housing is defined as housing that is both sufficient in supply and affordably priced. The total housing units specified in the RHNA plan for each jurisdiction are not to be construed as quotas for development. The RHNA Plan only determines the number and affordability of housing units that jurisdictions need to plan for through land use policies, regulations, infrastructure plans, and other housing assistance programs. Construction and development of these allocations is not a requirement of the RHNA plan.

All new units built or preserved after January 1, 2007 are credited in the new RHNA period. A discussion of how each jurisdiction’s land inventory accommodates this growth need is provided in Chapter 3 of the Housing Element.

Kings County Regional Housing Needs, 2007-2014

Jurisdiction	Extremely Low*	Very Low*	Low	Moderate	Above Mod	Total
Avenal	40	40	126	214	291	711
Corcoran	40	40	160	295	370	905
Hanford	723	723	1,015	938	2,359	5,758
Lemoore	374	374	534	502	1,237	3,021
Unincorporated	69	68	193	316	448	1,094
Kings County total	1,246	1,245	2,028	2,265	4,705	11,489

* 50% of VL units are assumed to be extremely-low per state law
Source: KCAG 2008

Cities must demonstrate that their land use plans and regulations provide realistic opportunities for development commensurate with the type and amount of housing identified in the RHNA during the new planning period. This is accomplished through a parcel-level analysis of vacant and “underutilized” sites with a potential for additional residential development or redevelopment (see Appendix B of the Draft Housing

Element). State law provides guidance regarding how cities estimate development potential, with the two most important factors being zoning (especially allowable density and development standards) and previous experience with affordable housing. Recent amendments to state law specify that in Kings County and many other areas of the San Joaquin Valley, a “default” density of 20 units per acre is considered to be appropriate to facilitate construction of lower-income housing. However, State law also provides that jurisdictions may utilize other assumptions based on local conditions. As discussed in Chapter 4 of the Housing Element, all of the jurisdictions in Kings County allow multi-family development at densities greater than 20 units/acre, excluding density bonus, in at least one multi-family zone. In addition to multi-family zones, Lemoore allows mixed-use development at densities up to 20 units/acre. However, most new multi-family developments in Kings County – including affordable projects by non-profit developers – are built at densities significantly lower than the “default” density. Conversations with non-profits confirmed that densities in the range of 12-15 units/acre are typical and sufficient to make such projects feasible. This density range allows two-story projects with large units (3-4 bedrooms) as well as spacious community facilities such as play areas for children.

It is also important to note that the RHNA is a *planning target*, *not a development quota*. While State law requires cities and counties to demonstrate that their land use plans and regulations could accommodate the type and amount of housing identified in the RHNA, the law does not require that sites identified in the Housing Element as suitable for affordable housing be developed for that purpose. The law recognizes that local governments generally do not build housing, and development depends on many factors including property owner desires, interested builders, available financing, and prevailing market forces.

To determine whether Kings County jurisdictions have adequate sites with realistic capacity for development commensurate with the RHNA, an analysis of vacant and underutilized parcels was conducted (see Housing Element Chapter 3 and Appendix B). The analysis included a review of recent development trends and a thorough review of potential development sites. The most significant aspect of this analysis deals with the capacity of the County and cities to accommodate their need for new lower-income units. As described in Chapter 3, the Housing Element demonstrates that each jurisdiction has adequate sites to accommodate its RHNA.

State law also requires that the Housing Element establish “Quantified Objectives” for the maintenance, preservation, improvement and development of housing during the new planning period¹. The quantified objectives for new construction set forth in the Draft Housing Element are consistent with existing General Plan and zoning land use designations in each jurisdiction.

In summary:

- The RHNA identifies each jurisdiction’s fair share of the region’s housing needs for the 2007-2014 period
- The RHNA is a planning target, not a development quota
- Jurisdictions must demonstrate the availability of adequate sites, either vacant or underutilized, with appropriate zoning and development standards to accommodate the new housing need identified in the RHNA

¹ Government Code Sec. 65583(b)(1)

- Sufficient opportunities for new development exist within each of the five jurisdictions to accommodate their RHNA obligations, and no changes to existing General Plan and zoning land use designations are necessary
- The Quantified Objectives for new housing construction established in the Housing Element are consistent with both the RHNA and the level of development assumed in the General Plans for each jurisdiction

While demonstrating the availability of adequate sites for residential development commensurate with the RHNA is one of the most noteworthy issues contained in the Draft Housing Element, other new policies and programs described below are proposed in response to changes in state law or local circumstances.

B. EMERGENCY SHELTERS AND TRANSITIONAL/ SUPPORTIVE HOUSING

An emergency shelter is a permanent, year-round facility that provides shelter to homeless families or individuals on a short-term basis, typically six months or less. Senate Bill (SB) 2 of 2007 strengthened the local planning requirements for emergency shelters. Unless adequate capacity is available to serve a jurisdiction's existing emergency shelter need, SB 2 requires that shelters be allowed "by-right" (i.e., without a conditional use permit or other discretionary approval) in at least one zoning district. As an alternative, SB 2 states that these requirements may be satisfied through a multi-jurisdictional agreement. In accordance with SB 2, the Housing Plan (Chapter 5) includes Program 4.16 to amend the Municipal Code to allow emergency shelters in the RSC (Recreation, School and Conservation) zone subject to objective development standards without a conditional use permit or other discretionary approval.

Transitional housing is a temporary (often six months to two years) facility for a homeless individual or family that is transitioning to permanent housing. Supportive housing may be longer term and includes a supportive services component (e.g. job skills training, rehabilitation counseling, assistance with daily necessities, etc.) to allow individuals to gain necessary life skills in support of independent living. Senate Bill (SB) 2 of 2007 requires that transitional and supportive housing be treated as residential uses that are subject to only those requirements that apply to other residential uses of the same type in the same zone. The Housing Plan includes a commitment to amend the Code to clarify the requirements for transitional and supportive housing in conformance with SB 2 (Program 4.16).

C. HOUSING FOR PERSONS WITH SPECIAL NEEDS

State law requires that jurisdictions review their zoning regulations, development standards and procedures as part of the Housing Element update to ensure that they do not pose undue constraints on the provision and use of housing by persons with disabilities or other special needs. The Housing Element analysis indicated that some provisions of the Code may require revisions to ensure adequate provision for special needs housing in conformance with State law. Therefore, programs are included in the Housing Element to amend the Code in the following areas to remove constraints and facilitate the provision of housing for persons and families with special needs (Program 4.18):

- Community care facilities – amend the Zoning Code to allow care facilities by-right for 6 or fewer residents, and facilities for 7 or more persons subject to a CUP.

- Reasonable Accommodation – adopt procedures for reviewing and approving requests for modifications to zoning and building codes that are necessary to ensure reasonable accommodation for persons with disabilities.
- Single Room Occupancy – adopt a definition and objective development standards to facilitate the establishment of SRO facilities.
- Amend the definition of “family” consistent with current law.

These Code amendments will be included as part of the comprehensive Zoning Code update and will be reviewed by the Planning Commission and City Council prior to implementation.

D. DENSITY BONUS

The City has not yet completed its comprehensive update of the Zoning Code following adoption of the new General Plan in 2008. The Zoning Code update will include a revision to the City’s density bonus regulations consistent with current State law.

Other policies and programs contained in the Housing Plan (Chapter 5) represent a continuation of existing policies and activities with only minor refinements.

Review by the California Department of Housing and Community Development (HCD)

In August 2009 the Draft Housing Element was submitted to HCD for review, and on October 30, 2009 a letter was received from HCD (Attachment 4) recommending revisions to the element. A summary of HCD’s comments and the City’s responses is provided in Attachment 5. All of the revisions proposed in response to HCD’s comments represent clarifications to existing policies and do not raise any new substantive issues.

On March 29, 2010 a letter was received from HCD (Attachment 6) stating that the Draft Housing Element, as revised, addresses all of the requirements of state law. Once the Draft Element is adopted and resubmitted to HCD, the City will be “in compliance” ensuring continued eligibility for grant funds. Any substantive revisions to the Housing Element at this stage would require additional review by HCD.

Compliance with CEQA:

An Initial Study/Negative Declaration for the proposed Housing Element update (Attachment 3) was posted for public review on April 1, 2010. The Negative Declaration concludes that adoption of the Housing Element would not have a significant effect on the environment.

Budget Impact:

No budget impact by adopting the Housing Element itself. However, the Housing Element includes implementation programs that are funded by a variety of sources including state and federal grants, Redevelopment Agency low-moderate income set-aside funds and the General Fund.

Recommendation:

Staff recommends that the Planning Commission conduct a public hearing, receive public comments, and adopt the attached draft Resolution #2010-07 (Attachment 1) recommending City Council approval of the Housing Element, pending their acceptance of the environmental determination.

Attachments

1. Draft Resolution 2010-07
2. Draft 2009-2014 Housing Element
3. Draft Initial Study/Negative Declaration
4. October 30, 2009 letter from the Department of Housing and Community Development
5. Summary of HCD comments and responses
6. March 29, 2010 letter from the Department of Housing and Community Development