CITY OF CALISTOGA

STAFF REPORT

TO: CHAIRMAN MANFREDI AND MEMBERS OF THE

PLANNING COMMISSION

FROM: KEN MACNAB, SENIOR PLANNER

MEETING DATE: JANUARY 14, 2009

SUBJECT: GENERAL PLAN HOUSING ELEMENT UPDATE

REQUEST

General Plan Amendment (GPA 2009-01): Consideration of a work program for updating the Housing Element of the City's General Plan.

BACKGROUND

The Housing Element is one of seven mandated elements of the General Planthe comprehensive, long-term plan that guides the physical growth and development of the City. Housing Element law requires cities and counties to adequately plan to meet their existing and projected housing needs, including their share of the regional housing need. The law recognizes that the most critical decisions regarding housing development occur at the local level within the context of the General Plan. In order for the private sector to adequately address housing needs and demand, the City must adopt land use plans and regulatory schemes that provide opportunities for, and do not unduly constrain, housing development for all income groups.

Unlike the other mandatory elements of the General Plan, the Housing Element is subject to detailed statutory requirements regarding its contents and must be updated every five years. The Housing Element is also subject to mandatory review by the State Department of Housing and Community Development (HCD). This reflects the statutory recognition that the availability of housing is a matter of statewide importance and that cooperation between the government and private sector is critical to attainment of the State's housing goal of "decent housing and a suitable living environment for every California family."

The City's current Housing Element was adopted on October 31, 2003 and found to be in full legal compliance by the State Department of Housing and Community Development (HCD) on March 9, 2005. Adoption of the current Housing Element occurred as part of the City's General Plan Update program

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which concluded in the middle of the then-current State defined planning period of 1999 to 2006. HCD has since set a new planning period (2007 to 2014) and is requiring all local governments within the regional jurisdiction of the Association of Bay Area Governments (ABAG) to update their Housing Elements by June 30, 2009 (Government Code Section 65588(e)(2)).

DISCUSSION

The purpose of the Housing Element Update program is to produce an updated Housing Element that is accurate, complete, understandable, and meets all the requirements of State law. The updated Housing Element will provide an overall strategy and schedule of actions needed over the seven-year planning period to achieve the City's housing goals and objectives. Staff is not anticipating that there will be major changes to the 2003 Housing Element and views the update program as an opportunity to review, evaluate and "fine tune" the City's current housing programs and policies and to incorporate changes that have occurred in Housing Element law.

Overview of Work Program

A detailed work program has been prepared by staff and is attached to this report (Attachment 2). There are three major focus areas of the work program: (1) develop an understanding of current housing conditions and needs within the City; (2) assess current housing policies and programs, identified housing sites, and constraints to developing those sites; and (3) update the goals, policies, actions and programs contained in the 2003 Housing Element. A general description of the tasks to be performed in each of these areas is provided below.

Current Housing Conditions

 To establish a baseline from which to evaluate current conditions and needs, staff will collect and develop data on population and employment growth, household demographics, special housing needs, the number, type and condition of the City's current housing stock, and the number of housing units that are atrisk of converting from affordable to market-rate.

Staff will rely upon a number of sources in developing this information, including use of statistical data from the 1990 and 2000 Census and from Federal, State and regional government agencies. Staff will also seek information from local professionals in the housing industry, including real estate professionals, non-profit agencies, developers, contractors and building professionals.

In addition to these sources, staff will prepare an existing land use survey that will identify the current land use of every property in the City. Staff will also

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conduct a windshield survey of residential areas within the City to gauge the physical condition of the City's housing stock.

Finally, a household survey will be conducted to develop an up-to-date demographic profile of Calistoga households and household characteristics.

Assessment of Programs, Sites and Constraints

The assessment of programs, sites and constraints involves: (1) a review of the 2003 Housing Element to evaluate the effectiveness of its goals, policies and programs in contributing to the attainment of the City's housing goals; (2) a review of the inventory of land available to meet the City's housing needs within the current planning period; and (3) a review of governmental and non-governmental constraints on production of housing, including land use controls and land development costs. The assessment will be performed by staff in consultation with professionals in the housing industry as needed.

Update Housing Element Goals, Policies and Programs

The information and outcomes of the work described in the previous two subsections will be used to guide the refinement of housing policies and programs in the 2003 Housing Element. As noted earlier, Staff does not foresee that the result of this work will lead to major policy or program changes. However, staff believes that the outcomes will elucidate a need for refocusing and refinement of current programs and strategies. A draft updated Housing Element will be prepared and released for public review and comment prior to formal review and adoption proceedings before the Planning Commission and City Council. The updated element will retain the same general format used in the 2003 Housing Element.

Program Management

The Housing Element Update program will primarily be carried out by City staff under the supervision and direction of the Planning of Building Director. Staff believes that it would be appropriate to have other individuals involved in guiding the Housing Element Update program and is seeking input from the Planning Commission on how to best achieve this. Below is a range of possible alternatives (which should not be considered definitive) for the Planning Commission's consideration:

- 1. Ad-Hoc Committee consisting of one or two representatives from both the Planning Commission and City Council.
- 2. Steering Committee consisting of one or two representatives from the Planning Commission, City Council and one or two community

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members with demonstrated experience in housing, development or real estate matters.

3. Advisory Committee consisting of representatives from the Planning Commission, City Council, one or two community members with demonstrated experience in housing, development or real estate matters, and one or two general residents of Calistoga ("at-large" members).

In considering what an appropriate level of involvement might be, the following program characteristics should be noted:

• The Housing Element update is a focused program with a scope that is mostly defined by statutory requirements of State law.

 No major changes are anticipated to current housing goals and programs.

• The involvement of individuals with expertise in the housing industry could bring needed insight and knowledge to the program.

 The program has been designed to provide opportunities for public input outside of formal proceedings at key points in the program (e.g., determination of baseline conditions and release of preliminary draft update to Housing Element).

Technical Assistance

Assistance in collecting background information and statistical data will be provided by Calistoga Affordable Housing, Inc., who is under contract with the City to provide general services on housing-related matters. To be clear, Calistoga Affordable Housing, Inc., will not be advising on the formulation of or revision to Housing Element goals, policies or programs that could either benefit or hinder the development interests of their organization. Staff also anticipates utilizing the expertise of other housing-related organizations, including: the City of Napa Housing Authority; Fair Housing Napa Valley; the Technical Advisory Committee of the Napa County Transportation Planning Agency; HCD; and the American Planning Association.

In addition to the aforementioned organizations, staff anticipates informally consulting with local professionals in the housing industry, particularly in the areas of land value, market conditions and construction/development costs. It is possible that paid consultation may be needed in areas where staff does not have expertise.

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Schedule

A tentative schedule for completing the tasks identified in the work program is attached to this staff report (Attachment 3). The schedule assumes completion of the Housing Element Update program in November, 2009. This could change depending on modifications made by the Planning Commission or City Council during review and approval of the work program.

The Planning Commission will note that the anticipated completion date is past the June 30, 2009 deadline for submitting an adopted updated Housing Element to HCD for review and certification. While it may be possible to execute a streamlined work program that meets the June 30th deadline, staff concluded that because housing issues are of interest to many segments of the community an expanded (but still modest) program with some opportunity for public input would be more appropriate.

Staff has advised HCD of the timing of the City's Housing Element update and will continue to communicate with HCD as progress is made.

ENVIRONMENTAL REVIEW

 It has been determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that the action being contemplated, recommendation(s) on adoption of a work program to update the Housing Element of the City's General Plan, will have any impact on the environment.

RECOMMENDATION

Staff recommends that the Planning Commission adopt Planning Commission Resolution PC 2009-03 recommending to the City Council adoption of the proposed work program for updating the Housing Element of the City's General Plan.

SUGGESTED MOTION

I move that the Planning Commission adopt Planning Commission Resolution PC 2009-03 recommending to the City Council adoption of the proposed work program for updating the Housing Element of the City's General Plan.

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208 ATTACHMENTS

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- 210 1. PC Resolution 2009-03
- 211 2. Draft Work Program Housing Element Update
- 212 3. Draft Schedule Housing Element Update