

# CITY OF CALISTOGA

## STAFF REPORT

**TO: CHAIRMAN MANFREDI AND MEMBERS OF THE PLANNING COMMISSION**

**FROM: KEN MACNAB, PLANNING AND BUILDING MANAGER**

**MEETING DATE: FEBRUARY 23, 2011**

**SUBJECT: HOUSING ELEMENT UPDATE (GPA 2009-01)**

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1 **REQUEST:**  
2

3 **GPA 2009-01:** Presentation of the final draft of the updated Housing Element for  
4 review and recommendation to the City Council. The Housing Element provides  
5 a comprehensive assessment of current and projected housing needs for all  
6 economic segments of the City and sets forth goals, policies and programs for  
7 addressing those needs. A Negative Declaration has been prepared pursuant to  
8 the requirements of the California Environmental Quality Act (CEQA).  
9

10 **BACKGROUND:**  
11

12 The Housing Element is one of seven mandated elements of the General Plan -  
13 the State-mandated comprehensive, long-term plan that guides the physical  
14 growth and development of the City. Housing Element law requires cities and  
15 counties to adequately plan to meet their existing and projected housing needs,  
16 including their share of the regional housing need. The law recognizes that the  
17 most critical decisions regarding housing development occur at the local level  
18 within the context of the General Plan. In order for the private sector to  
19 adequately address housing needs and demand, the City must adopt land use  
20 plans and regulatory schemes that provide opportunities for, and do not unduly  
21 constrain, housing development for all income groups.  
22

23 Unlike the other mandatory elements of the General Plan, the Housing Element  
24 is subject to detailed statutory requirements regarding its contents and must be  
25 updated every five years. The Housing Element is also subject to mandatory  
26 review by the State Department of Housing and Community Development (HCD).  
27 This reflects the statutory recognition that the availability of housing is a matter of  
28 statewide importance and that cooperation between the government and private  
29 sector is critical to attainment of the State's housing goal of "decent housing and  
30 a suitable living environment for every California family."  
31

32 The City's current Housing Element was adopted on October 21, 2003, and  
33 found to be in full legal compliance by the State Department of Housing and  
34 Community Development (HCD) on March 9, 2005.

35  
36 Pursuant to State requirements, the City Council authorized a work program to  
37 prepare a minor update to the City's Housing Element in January, 2009. The  
38 Council appointed a Housing Element Update Advisory Committee to guide staff  
39 in carrying out the work program. Members of the advisory committee include:  
40 Councilmember Karen Slusser (Committee Chair), former Councilmember  
41 Placido Garcia; Planning Commission Vice-Chair Paul Coates and former  
42 Planning Commission Vice-Chair Clayton Creager; and local residents Brian  
43 Brewster and Stephanie Duff-Ericksen. Planning Commissioner Matthew Moye  
44 served as an "at large" resident on the Committee until he was appointed to the  
45 Planning Commission in January, 2010. The Advisory Committee met over  
46 twelve times over the course of the update program. During this time, the  
47 Advisory Committee oversaw the execution of a household demographic survey,  
48 reviewed existing and potential housing sites, and discussed programs for  
49 meeting the City's housing needs.

50  
51 On June 9, 2010, a preliminary draft of the updated Housing Element was  
52 completed and released for public review. On June 22, 2010, the Housing  
53 Element Update Advisory Committee reviewed the preliminary draft update of the  
54 Housing Element. In general, the Committee found the preliminary draft to be  
55 thorough and responsive to the direction given to staff over the course of the  
56 Committee's review. The Advisory Committee passed a motion recommending  
57 that the City Council forward the preliminary draft document to the State  
58 Department of Housing and Community Development for review with suggested  
59 revisions to policies addressing the City's Growth Management program and the  
60 subsidy of "for sale" housing units.

61  
62 On July 7, 2010, a Community Meeting was held to present the preliminary draft  
63 of the updated Housing Element in a less formal meeting environment and  
64 provide an opportunity for citizens to ask questions or comment on the draft  
65 document. Despite outreach efforts, which included e-mail notifications to  
66 interested persons and organizations, two consecutive display ads in the  
67 Tribune, posting on community bulletin boards, posting on the Community Media  
68 channel and posting on the City's web site, only one person showed up for the  
69 meeting. No comments were provided.

70  
71 On July 14, 2010, the Planning Commission held a public hearing on the  
72 preliminary draft. The Planning Commission's discussion focused primarily on  
73 the new programs being proposed as part of the update. After a good discussion  
74 and some suggestions for implementation of specific work program actions, the  
75 Planning Commission passed a motion recommending that the City Council

76 forward the preliminary draft document to the State for review, with the inclusion  
77 of the recommendations from the Housing Element Update Advisory Committee  
78 plus one additional revision addressing the provision of a range of unit sizes in  
79 multi-family development projects.  
80

81 On July 20, 2010, a public hearing on the preliminary draft was held before the  
82 City Council. The Council had questions and comments on several of the  
83 program actions, including the development of design standards, allowing  
84 transitional shelters by right, voluntary inspections of multi-family rental units and  
85 potential displacement issues, and on preparation of a density bonus ordinance.  
86 Also discussed was the program action calling for allowing multi-family  
87 development by right, which the City Council directed be removed from the draft  
88 (with the understanding that the State may come back and ask that the program  
89 be added back). The City Council concluded its review with a motion authorizing  
90 staff to forward the preliminary draft to the State, with the revisions discussed by  
91 the Advisory Committee, the Planning Commission and the Council.  
92

93 Following public review, the preliminary draft update to the Housing Element was  
94 finalized and transmitted to the State Department of Housing and Community  
95 Development (HCD) on July 29, 2010, for review. Comments received from  
96 HCD in response to submittal of the preliminary draft are discussed later in this  
97 report.  
98

99 **OVERVIEW OF FINAL DRAFT HOUSING ELEMENT:**  
100

101 The final draft update of the Housing Element is organized into several sections.  
102 The introductory sections present an overview of the current economic crisis and  
103 a description of State requirements relating to the Housing Element. The second  
104 section identifies the process used to ensure public involvement in the  
105 development of this 2009 Housing Element Update. As required by State law,  
106 the Housing Element also evaluates the City's success in implementing its 2003  
107 Housing Element. Following this is a review of existing housing needs,  
108 constraints on the development of housing and other elements that characterize  
109 the community's housing profile, which comprises the majority of the document.  
110

111 Additionally, the final draft update of the Housing Element identifies adequate  
112 sites for the development of new housing to meet the City's fair share of the  
113 regional housing need (pp. 70-85). The Element concludes with a program of  
114 goals, objectives, policies and actions aimed at providing a decent home and  
115 satisfying living environment for every Calistogan.  
116

117 Key findings in the final draft update of the Housing Element include:  
118

- 119 1. Calistoga will need to provide additional residential development to house  
120 its fair share of Napa County's growing population.  
121
- 122 2. Calistoga has an ample supply of appropriately designated land with  
123 public services available to meet its fair share of the regional housing  
124 need.  
125
- 126 3. Although housing prices in Calistoga have declined in recent years, they  
127 are expensive when compared to income levels of local residents.  
128 Approximately one-third of households devote more than 30 percent of  
129 their income for shelter. This affects very-low, low- and moderate-income  
130 households, which include service workers in the restaurant and visitor  
131 accommodation industry, entry-level teachers, firefighters and police  
132 officers. Approximately 30 percent of renters are living in overcrowded  
133 conditions. Overcrowding can result in health and safety risks, accelerate  
134 deterioration of the City's rental housing stock and create negative  
135 community perceptions about lower income housing.  
136
- 137 4. Calistoga supports fair access to housing for all persons and has  
138 relationships with or access to local and State organizations that address  
139 particular housing needs.  
140
- 141 5. Housing can be wasteful of natural resources if it is poorly designed,  
142 constructed or maintained. City programs should encourage  
143 implementation of measures for reducing energy demand through  
144 efficiency and conservation.  
145
- 146 6. Seniors and the disabled, who comprise large proportions of Calistoga's  
147 population, have particular housing needs and also tend to have low  
148 incomes. The housing problems for people with disabilities are not just  
149 related to costs but also to accessibility.  
150
- 151 7. Farmworkers appear to suffer from a particular shortage of housing in the  
152 Calistoga Planning Area. Although a portion of this housing demand is  
153 generated by land in the unincorporated County, some of it comes from  
154 individuals working in Calistoga.  
155
- 156 8. A review of the City's development and design standards for higher  
157 density and/or mixed use development is needed to ensure that  
158 development at the higher end of permitted density ranges is achievable.  
159
- 160 9. Calistoga's program for providing homeownership opportunities to  
161 moderate-income households has no measures to prevent resale at  
162 market rates. This means that, over time, the units would no longer be

- 163 available for lower-income households unless the City invests substantial  
164 funds into purchasing the units at the time of sale and subsidizing their  
165 resale to moderate-income households. Although the City has done this  
166 in some cases, new measures are needed to prevent newly subsidized  
167 units from increasing in value at market rates.  
168
- 169 10. There is a lack of housing that is affordable to moderate income  
170 households. Programs that encourage and/or incentivize the development  
171 of moderate income housing should be developed.  
172
- 173 11. There is a need to update the City's current inclusionary housing  
174 ordinance. Ordinance changes that focus more on incentivizing the  
175 production of housing and expanding the range of alternatives for meeting  
176 residential and non-residential inclusionary housing requirements should  
177 be considered in the interest of making the ordinance more effective.  
178
- 179 12. The City has attempted to lessen government restrictions to housing  
180 development by consolidating the design review process, simplifying  
181 processing and amending ordinances to reduce conflicts. These efforts  
182 should continue.  
183

### **NEW PROGRAM PROPOSALS:**

184  
185  
186 The following section highlights selected programmatic changes that are being  
187 proposed as part of the update to the Housing Element.  
188

#### **Removal of Constraints to the Production of Housing**

- 189  
190
- 191 1. Allow longer time extensions for granted Growth Management Allocations  
192 under certain circumstances (Action A4, Objective H-6.1).  
193
- 194 *Under the current Growth Management System Program, a growth*  
195 *management allocation is valid for one year (with the possibility of a one*  
196 *year extension). During this one year period a project proponent must*  
197 *secure all necessary entitlements for the project as well as a building*  
198 *permit for construction. For projects involving a parcel or subdivision map,*  
199 *subsidies from State and Federal agencies for affordable units, or major*  
200 *environmental review, the requirement to secure all entitlements and*  
201 *receive a building permit within the required time limit can present a*  
202 *significant constraint.*  
203
- 204 2. Allow for roll-over of un-used Growth Management Allocations between  
205 five-year housing cycles (Action A5, Objective H-6.1).  
206

207 *Larger development projects coming forward towards the end of a five-*  
208 *year housing cycle in the Growth Management System may be*  
209 *constrained by the provision that disallows rollover of unused/available*  
210 *allocations between five year cycles. Allowing roll-over of unused*  
211 *allocations between five-year cycles would eliminate potential project*  
212 *delays.*

213  
214 3. Review and update standards of the R-3 Zoning District to ensure  
215 development at the maximum permitted density is achievable (Action A2,  
216 Objective H-1.2)

217  
218 *Current development standards for the R-3 Zoning District (e.g., lot*  
219 *coverage, setbacks, height, etc.) may preclude development at the*  
220 *maximum permitted density allowed by the zone or by the General Plan.*  
221 *A review of the current standards to assess whether they constrain*  
222 *development at the higher end of the permitted density range is*  
223 *warranted.*

224

225 Encourage the Production of Affordable Housing

226

227 4. Consider amending the R-2 Zoning District to make it a zoning district  
228 primarily intended for the development of “for sale” single-family attached  
229 homes (Action A4, Objective H-2.1).

230

231 *Attached “for sale” housing is a form of housing that is often more*  
232 *affordable than a traditional single-family detached home for households*  
233 *with moderate incomes. None of the City’s current zoning districts have*  
234 *standards that would readily accommodate development of single-family*  
235 *attached homes. Modification of the R-2 Zoning District would*  
236 *accommodate this form of development primarily in areas designated as*  
237 *Medium Density Residential (4 to 10 units per acre).*

238

239 5. Consider including incentives in the City’s Inclusionary Housing Program  
240 that will stimulate production of housing in the more difficult to achieve  
241 income levels (Action A3, Objective 3.1).

242

243 *The Housing Element Update Advisory Committee supports the idea of*  
244 *revising the City’s Inclusionary Housing Ordinance to add incentives that*  
245 *could stimulate production of affordable housing. An example of the type*  
246 *of incentives that could be considered would be allowing a reduction in the*  
247 *percentage of units required to be affordable for projects proposing*  
248 *inclusionary units at difficult to achieve affordability levels (e.g., moderate,*  
249 *very-low and extremely-low incomes).*

250

- 251 6. Amend Calistoga's Affordable Housing Ordinance to create a range of  
252 options for non-residential development projects to address their  
253 inclusionary housing requirement. The range of options should include:  
254 fee-in-lieu payment, on-site or off-site development, dedication of land,  
255 and other alternative equivalent actions for providing affordable housing.  
256 (Action A3, Objective H-2.1).

257

258 *As currently written the City's Inclusionary Housing Ordinance identifies*  
259 *only two options for meeting a project's inclusionary housing requirement*  
260 *– on-site construction or fee-in-lieu payment. The Advisory Committee*  
261 *supports broadening the range of options available, particularly for non-*  
262 *residential development projects to provide flexibility and not preclude*  
263 *innovative approaches.*

264

#### 265 Address Overcrowding

266

- 267 7. Encourage the provision of 3 or 4 bedroom units in new rental housing  
268 projects of 10 or more units (Policy P2, Objective H-3.2).

269

270 *Nearly 80% of overcrowded households are renters. Encouraging rental*  
271 *housing projects (which are often more affordable) to provide a*  
272 *percentage of 3 and 4 bedroom units will increase the supply of affordable*  
273 *larger rental units in the City.*

274

- 275 8. Establish an annual inspection program to abate unsafe living conditions  
276 in the City's multi-family housing stock (Action A6, Objective 4.1).

277

278 *Overcrowding can result in unsafe living conditions, accelerate*  
279 *deterioration of housing stock and create negative community perceptions.*  
280 *The intent of the annual inspection program will be to discourage and/or*  
281 *abate sub-standard dwelling units.*

282

#### 283 Accommodate Senior Housing

284

- 285 9. Allow convalescent care, congregate care and assisted living facilities in  
286 the R-2, R-3 and commercial zoning districts by right (Action A2, Objective  
287 H-2.1).

288

289 *Approximately 20% of the City's population is over 65 years in age.*  
290 *Allowing residential care / assisted living facilities by right in the City's*  
291 *higher density zoning districts will accommodate future development of*  
292 *these facilities.*

293

294

295 Accommodate Housing for the Disabled

296

- 297 10. Amend the municipal code to create a procedure wherein persons with  
298 disabilities may request reasonable accommodation in the application of  
299 zoning standards (Action A7, Objective 7.1).

300

301 *The intent of establishing a procedure for reasonable accommodation is to*  
302 *eliminate the need for a person with a disability to request a variance from*  
303 *development standards to install improvements (e.g., access ramp)*  
304 *needed to make a home accessible.*

305

306 Accommodate Development of Transitional and Supportive Housing

307

- 308 11. Amend the Zoning Ordinance to treat transitional and supportive housing  
309 as residential uses subject to the same permitting processes of similar  
310 uses in the same zone and without undue special regulatory requirements.  
311 (Action A5, Objective H-3.2).

312

313 *Section 65583(a)(5) of the California Government Code requires that local*  
314 *zoning treat transitional and supportive housing as a proposed residential*  
315 *use subject to only those restrictions that apply to other residential uses of*  
316 *the same type in the same zoning district. For purposes of understanding,*  
317 *definitions of transitional and supportive housing are provided below:*

318

319 Transitional Housing: Building(s) configured as rental housing  
320 developments, but operated under program requirements that call for the  
321 termination of assistance and recirculation of the assisted unit to another  
322 eligible program recipient at some predetermined future point in time,  
323 which shall be no less than six months. (Health and Safety Code Section  
324 50675.2)

325

326 Supportive Housing: Housing with no limit on length of stay, that is  
327 occupied by the target population, and that is linked to onsite or offsite  
328 services that assist the supportive housing resident in retaining the  
329 housing, improving his or her health status, and maximizing his or her  
330 ability to live and, when possible, work in the community. (Health and  
331 Safety Code Section 50675.14)

332

333 *This Action implements the requirements of 65583(a)(5).*

334

335 Accommodate the Development of Emergency Shelters

336

- 337 12. Amend the Zoning Ordinance to allow emergency shelters without a  
338 Conditional Use Permit or other discretionary approval in the CC Zoning  
339 District (Action A6, Objective H-3.2).



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*Families and persons in need of emergency shelter include those who are without homes as well as those who are temporarily displaced from their homes due to abuse, evictions, or natural disasters. It is difficult to measure the numbers of people in these categories since the situation is often temporary, and those without homes relocate frequently in search of jobs or housing. Government Code Section 65583(a)(4) requires that Calistoga accommodate the development of at least one emergency shelter within the City.*

350 Address Climate Change and Energy Use

351

- 352 13. Reduce greenhouse gas production and energy use in new residential and  
353 mixed use development (Goal H-8).

354

355 *This is a new goal being added to the Housing Element. Implementing*  
356 *policies and actions reflect housing-related directives contained in the*  
357 *draft Calistoga Climate Action Plan.*

358

359 Implementation of State's Density Bonus Law

360

- 361 14. Prepare and adopt a Density Bonus Ordinance to guide implementation of  
362 the State's Density Bonus law (Action A4, Objective H-3.1).

363

364 *In 2004, Senate Bill 1818 (Hollingsworth) was passed amending the*  
365 *State's density bonus law (Section 65915 of the Government Code). The*  
366 *purpose of SB 1818 was to encourage developers to build affordable*  
367 *housing by requiring local governments to provide meaningful incentives.*  
368 *Although there are provisions in the current Housing Element and Zoning*  
369 *Ordinance that allow increases in density for affordable units, the*  
370 *provisions do not cover the full scope of the State's law nor do they*  
371 *provide guidance on implementation. The intent of adopting an ordinance*  
372 *to implement the State's density bonus law is to establish a framework for*  
373 *processing density bonus requests.*

374

375 **HCD COMMENT ON THE PRELIMINARY DRAFT HOUSING ELEMENT:**

376

377 The City received 15 comments from HCD on the preliminary draft of the updated  
378 Housing Element. In consultation with HCD, staff developed responses to each  
379 of the 15 comments. The responses were presented to Housing Element Update  
380 Advisory Committee for review and approval at the September 22<sup>nd</sup> and October  
381 27<sup>th</sup> Committee meetings. The table below summarizes HCD's comments, staff's  
382 response to the comments, and the page number of the revision as it appears in  
383 the final draft document.

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 385  
 386

**TABLE 1 – SUMMARY OF HCD COMMENTS & STAFF RESPONSES**

HCD Comment No.	Comment	Staff Response	Location in Final Draft document
1	Include a general description of known environmental constraints to the development of housing.	Add narrative generally describing known environmental constraints in the Site Inventory / Analysis Section	Page H-79
2	Identify programs that address or give priority to extremely low income housing.	Modify following actions and policies to include reference to extremely-low income housing:  a. A1, Objective H-1.2 b. P6, Objective H-3.1 c. A1, Objective H-3.2 d. A2 & A3, Objective H-3.3 e. A4, Objective H-3.4 f. A1, Objective H-6.1 g. Revise narrative to include reference to modified actions	a. Page H-136 b. Page H-144 c. Page H-146 d. Page H-149  e. Page H-151 f. Page H-157 g. Page H-35
3	Provide a cost-benefit analysis on the cost of constructing or replacing a housing unit vs. the cost of rehabilitating an existing housing unit. Add narrative identifying sources of funding available for preserving “at risk” units.	Add narrative and tables that describe the cost of rehabilitation vs. the cost of new construction and the sources of available funding for preserving at-risk units in the “At Risk” sub-section of the Draft Housing Element	Page H-40
4	Describe how it was found that the requirement for Conditional Use Permit review of multi-family housing projects in the R-3 Zoning District <u>does not</u> impose a constraint on the production of this form of housing.	Add action under Objective H-1.2 calling for amendment of the Zoning Ordinance to permit multi-family housing by-right in the R-3 (Multi-family) and Community Commercial (CC) zoning districts, with the caveat that non-discretionary design guidelines for multi-family be developed and adopted first.	Page H-137

HCD Comment No.	Comment	Staff Response	Location in Final Draft document
5	Provide a fee scenario for construction of a single-family home and construction of a multi-family housing project.	<p>(1) Add a table illustrating typical development fee scenarios for a single-family home and multi-family housing project in the “Fees and Other Exactions” sub-section of the Draft Housing Element.</p> <p>(2) Modify Appendix B by adding a column showing fees for multi-family development.</p>	<p>(1) Page H-101</p> <p>(2) Page H-191</p>
6	Provide a scenario showing typical development costs for a single-family home and multi-family housing project. Include typical fees and identify the fees as a percentage of total development cost.	Add a table illustrating per unit development costs for single-family and multi-family development projects and the per unit development fee as a percentage of total development cost in the “Fees and Other Exactions” sub-section of the Draft Housing Element.	Page H-102
7	Revise site analysis to include discussion on considerations made by the Housing Element Advisory Committee in reviewing and identifying housing sites. Also revise Table H-51 to provide detail on each individual parcel identified for lower income housing.	<p>(1) Modify third paragraph under the Site Inventory Analysis section of draft Housing Element to include discussion on Committee review of housing sites.</p> <p>(2) Revise Table H-51 to provide detail on each individual parcel identified for lower income housing.</p> <p>(3) NOTE: the revision of H-51 has necessitated corresponding revisions to: (a) Figure H-5 and (b) Table H-52.</p>	<p>(1) Page H-70</p> <p>(2) Page H-75</p> <p>(3)(a) Page H-73</p> <p>(3)(b) Page H-85</p>

HCD Comment No.	Comment	Staff Response	Location in Final Draft document
8-1	<p>Government Code Section 65583(a)(4)(A) requires that the program for amending the Zoning Ordinance to allow emergency shelters by right (Action A5, Objective H-3.2, Page H-126) must be completed within one year of adoption.</p> <p>Also, Housing Element law requires the City to allow transitional and supportive housing pursuant to the same requirements that apply to other residential uses in the zoning district.</p>	<p>(A) Split Action A5 under Objective H-3.2 into two separate actions, one addressing Emergency Shelters. Revise the time frame for implementing the Action addressing Emergency Shelters to one year from adoption.</p> <p>(B) For the component of Action A5 that addresses transitional and supportive housing, revise the action language to be consistent with the legal requirements for permitting transitional and supportive housing.</p> <p>(C) Revise second paragraph under Emergency and Transitional Shelters subsection of the draft Housing Element to correspond with changes described in responses (A) and (B) above.</p>	<p>(A) Page H-148</p> <p>NOTE: Corresponding action is now Action A6.</p> <p>(B) Page H-147</p> <p>(C) Page H-89</p>
8-2	<p>Provide additional information describing the types of housing services (transitional, supportive, emergency shelter) needed in Calistoga and the suitability of sites where shelters will be allowed for meeting the needs of those being served by the shelter.</p>	<p>Revise the 'Persons in Need of Shelter' narrative in the draft Housing Element to include a description of the services being provided in response to those in need.</p>	<p>Page H-62</p>
9	<p>Describe the siting and permit process for manufactured homes and factory built housing and demonstrate how the community has identified zoning and development standards that will provide opportunities for these housing types.</p>	<p>(1) Revise the second paragraph under the Mobile Homes subsection of the draft Housing Element to better describe the zoning and permit process for manufactured homes.</p> <p>(2) Revise Program Action A1 under Objective H-2.2 of the draft Housing Element to reflect that the City's design standards for single-family homes apply to all homes, not just manufactured, mobile and factory-built homes.</p>	<p>(1) Page H-87</p> <p>(2) Page H-142</p>

HCD Comment No.	Comment	Staff Response	Location in Final Draft document
10	California Health and Safety Code Sections 17021.5 and 17021.6 generally require agricultural employee housing to be permitted by-right, without a conditional use permit (CUP), in single-family zones for six or fewer persons and in agricultural zones. The element should either include an analysis or program to demonstrate conformance with this requirement.	<p>(1) Add a new program action under Objective H-1.2 of the draft Housing Element calling for amendment of the Zoning Ordinance to allow agricultural employee housing for six or fewer persons by right, subject to the same regulations as a single-family dwelling.</p> <p>(2) Revise the second paragraph under the Farmworker Housing subsection of the draft Housing Element to reference the new program action identified in response (1) above.</p>	<p>(1) Page H-137</p> <p>NOTE: Corresponding action is Action A3.</p> <p>(2) Page H-88</p>
11	The Housing Element should describe if and where Single-Room Occupancy (SRO) housing units are permitted under the City's existing zoning ordinance.	Add a new subsection titled "Single-Room Occupancy Housing" after the subsection titled "Single Family Attached Units" on Page H-80 of the draft Housing Element describing what SRO housing is and that the City's Zoning Ordinance does not identify SRO's as a permitted or conditionally permitted use.	Page H-89
12	The Housing Element should analyze the impacts of the minimum lot area requirement in the R-2 and R-3 zoning districts on housing supply costs, particularly for multi-family housing.	Revise the narrative on Page H-87 in the "Zoning" sub-section of the Draft Housing Element to include a statement on the purpose of the minimum lot area requirement and clarify language on constraints imposed by current zoning standards.	Page H-97
13	The Housing Element should analyze the effect of the City's Growth Management System on facilitating residential development to determine whether or not the system acts as a constraint on housing development.	Revise the narrative under the Growth Management subsection of the draft Housing Element to include a more detailed description of how the Growth Management System works and its impact on the development of housing.	Page H-103

HCD Comment No.	Comment	Staff Response	Location in Final Draft document
14	The Housing Element should describe how the City’s inclusionary housing requirement is implemented and its potential impact on the cost and supply of housing.	Add a new subsection to the draft Housing Element (following the subsection on Growth Management) that describes the City’s inclusionary housing program, including implementation and potential impact on the cost and supply of housing.	Page H-110
15	Provide additional detail on how the public participated in development of the draft update to the Housing Element. Where possible, cite specific examples of how public input was incorporated into the plan.	Revise the ‘Public Participation’ narrative of the draft Housing Element to include a more detailed description of how the public was involved during the Housing Element update process.	Page H-6

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388

389 It should be noted that in their initial review of the preliminary draft HCD did  
 390 question the absence of a “multi-family by-right” program. To satisfy their  
 391 concern, the Advisory Committee agreed to re-establish the program action  
 392 calling for a change to the City’s zoning ordinance to allow multi-family by-right in  
 393 certain zoning districts and subject to non-discretionary design review (Action A4,  
 394 Objective H-1.2, page 137).

395

396 With the revisions noted above, a final draft of the updated Housing Element was  
 397 prepared and sent to HCD on November 24, 2010. On January 24, 2011, the  
 398 City received a letter from HCD stating that the proposed revisions have been  
 399 accepted and that if the City adopts the updated Housing Element as presented,  
 400 it would be found to be in compliance with State housing element law  
 401 (Attachment 5).

402

403 **ADDITIONAL REVISIONS:**

404

405 Staff is recommending one additional revision to the draft update of the Housing  
 406 Element for the purposes of internal consistency. Policy P1 under Objective 3.2  
 407 (Page 146) needs to be revised to be consistent with other changes that have  
 408 been made in response to HCD’s comments regarding transitional/supportive  
 409 housing and emergency shelters. The proposed changes are noted below  
 410 (deletions noted in ~~strikeout~~, additions noted in *italics*).

411

412 Policy P1, Objective 3.2

413

414 ~~P1. Emergency and transitional shelters shall be allowed by right in the R-2~~  
415 ~~and R-3 zoning districts, and in all other zoning districts with an~~  
416 ~~administrative use permit.~~

417

418 *P1. Treat transitional and supportive housing as residential uses subject to the*  
419 *same permitting processes and without undue special regulatory*  
420 *requirements.*

421

422 *P2. Emergency and transitional shelters shall be allowed without a Conditional*  
423 *Use Permit or other discretionary action in the CC (Community*  
424 *Commercial) Zoning District.*

425

426 Staff believes the proposed revision will be acceptable to HCD as it will make the  
427 policy consistent with other related changes that have already been incorporated  
428 into the final draft.

429

430 **ENVIRONMENTAL REVIEW:**

431

432 In accordance with the California Environmental Quality Act (CEQA), the City of  
433 Calistoga Planning and Building Department has prepared an Initial Study for the  
434 project. As documented in the Initial Study, it has been determined that the  
435 proposed update to the Housing Element will not have a significant adverse  
436 effect on the environment and that a Negative Declaration should be prepared.

437

438 A copy of the Initial Study and draft Negative Declaration was sent to the State  
439 Clearinghouse for distribution to state agencies. The state comment period for  
440 the environmental document was January 12, 2011, to February 10, 2011. In  
441 addition, a Notice of Intent to Adopt a Mitigated Negative Declaration was  
442 published in the Tribune on January 14, 2011. The notice provided 30 days for  
443 the public to comment on the draft Negative Declaration.

444

445 Staff has received the following comments in response to these notices  
446 (Attachment 6):

447

448 1. California Department of Transportation (CalTrans). The California  
449 Department of Transportation requested that: (1) as a condition of future  
450 project approval any required roadway improvements be completed before  
451 issuance of a Certificate of Occupancy; and (2) any work within the state  
452 right-of-way be required to obtain an encroachment permit from CalTrans.  
453 The Department also encourages the City to consider future development  
454 of pedestrian, bicycle and transit performance or mitigation measures and

455 modeling of pedestrian, bicycle and transit trips to quantify project  
456 impacts.

457  
458 CEQA requires the lead agency to consider the environmental document in  
459 conjunction with the comments received. If the comments contain substantial  
460 evidence supporting a fair argument that the project may actually produce  
461 significant environmental impacts, the lead agency must find a way to mitigate  
462 the impacts to a level of insignificance, and then recirculate a revised proposed  
463 negative declaration or prepare an EIR.

464  
465 Staff finds that the issues raised in this comment will be addressed through  
466 subsequent project review and that no modifications and/or further action is  
467 required.

468  
469 **RECOMMENDATIONS:**

470  
471 Environmental Review

472  
473 Staff recommends that the Planning Commission adopt Planning Commission  
474 Resolution PC 2011-07 recommending that the City Council adopt a Negative  
475 Declaration based on the Initial Study that has been prepared for the City of  
476 Calistoga 2009 Housing Element Update.

477  
478 Housing Element Update

479  
480 Staff recommends that the Planning Commission adopt Planning Commission  
481 Resolution PC 2011-08 recommending that the City Council adopt the proposed  
482 update to the Housing Element of the City's General Plan.

483  
484 **ATTACHMENTS:**

- 485
- 486 1. Draft PC Resolution 2011-07 recommending that the City Council adopt a  
487 Negative Declaration for the City of Calistoga 2009 Housing Element  
488 Update.
  - 489 2. Draft PC Resolution 2011-08 recommending that the City Council adopt  
490 the proposed update to the Housing Element of the City's General Plan.
  - 491 3. Final Draft of the updated Housing Element (dated November 24, 2010).\*\*
  - 492 4. Draft Initial Study and Negative Declaration.\*\*
  - 493 5. Correspondence from the State Department of Housing and Community  
494 Development (HCD) dated January 24, 2011.
  - 495 6. Correspondence from the State Department of Transportation (CalTrans)  
496 dated January 26, 2011.

497  
498 \*\* Previously distributed