CITY OF ALBANY CITY COUNCIL AGENDA STAFF REPORT

Agenda Date: October 21, 2013

Reviewed by: Pat O

SUBJECT: Authorize Staff to Make Final Revisions to the Draft Housing Element and

Authorize Submittal of the Draft to the State Housing and Community

Development Department for Review

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SUMMARY

The action before the City Council is to review the draft 2007-2014 General Plan Housing Element and authorize staff to make final edits and submit the draft to the California Department of Housing and Community Development for review.

PLANNING AND ZONING COMMISSION RECOMMENDATION

That Council review the draft 2007-2014 Housing Element and comments received from the public and the Commission, authorize staff to make final revisions to the draft Housing Element, authorize submittal of the draft to the State Housing and Community Development Department for review, and explore the use of former redevelopment "boomerang" funds for implementation for inclusionary and transitional housing policies and programs.

BACKGROUND

The Housing Element is one of the seven mandated elements of the General Plan. It includes goals, policies, and action programs to conserve existing housing, produce new housing, provide housing for persons with special needs, and ensure equal access to housing by all residents. The contents of the Element are set by State law, and include a Needs Assessment, a Sites Inventory, an evaluation of Housing Constraints, and an Evaluation of Progress on implementing the previous Element. The Housing Element is the only part of the General Plan subject to review and certification by a state agency. Cities and counties must periodically submit their Elements to the State Department of Housing and Community Development for a compliance determination.

Independent of the current effort to update the rest of the Albany General Plan, the City initiated an update of its Housing Element in 2007. The update is required of all cities and counties in the Bay Area to meet state requirements and to demonstrate that each

jurisdiction was doing its "fair share" to meet the region's housing needs. Under state law, the Housing Element must be updated approximately once every seven to eight years. The current planning period is 2007-2014.

The Planning & Zoning Commission and City Council each held several study sessions on the Housing Element in 2008 and 2009. A partial draft—not including policies and actions—was completed and submitted to the State Department of Housing and Community Development in July 2009. The State provided technical assistance comments to the City, but did not issue detailed recommendations at that time. Revisions to the Element (including completion of policies and actions) were delayed in 2010-2012 due to staff reductions and other policy initiatives.

As part of the current effort to update the Albany General Plan, the City is pursuing completion of the 2007-2014 Draft Element and certification by the State. This includes revisions to the chapters that were previously completed (to include current data and respond to state comments), and the development of goals, policies, and actions.

At the May 2013 General Plan Study Session, the Planning and Zoning Commission heard a presentation on the revised Housing Element Needs Assessment, including current demographic data for Albany. This corresponds to Chapter 3 of the Housing Element. On September 18, the City released for public review a working draft of the Housing Element for public review, including:

- Revised version of Chapter 1 (Introduction)
- Chapter 2 (Evaluation of Prior Element)
- Chapter 3 (Needs Assessment)
- An entirely new Chapter 6 (Draft Goals, Policies, and Actions)

Subsequently, revisions to Chapter 4 (Housing Opportunity Sites) were released and discussed at the Commission October 9 Commission meeting. A new Chapter 5 (Analysis of Constraints) was released in advance of the October 15 special meeting of the Commission.

DISCUSSION

The Housing Element is organized consistent with State Law and in a format required by HCD. The first three chapters provide information and context for housing policy within the City, based on demographic information and past City policies and programs. Chapter 4 through Chapter 6 is the foundation for housing policy through the end of the 2007-2014 planning period.

The analysis in Chapter 4 identified 15 sites within the City that can accommodate 336 units of housing. None of these sites require rezoning in order to be developed. This chapter was initially drafted in 2009, and was the subject of several study sessions. The 2009 chapter has been updated to reflect the current status of each site, and to respond to

State comments on the earlier draft. Several additional sites also have been added to the list that are consistent with the criteria used in 2009.

Chapter 5 summarizes existing development standards in the City and potential constraints to developing the sites, including both governmental and non-governmental constraints. The most significant governmental constraint is Measure D, which establishes parking standards for new residential development. The most significant non-governmental constraint is the availability of raw land available for development. The lack of funding to subsidize the development of affordable housing also is a constraint.

Chapter 6 brings together the conclusions of the previous five chapters into a series of policy statements and associated implementation programs. The proposed draft policies and programs correspond to the five goals, relating to the following topic areas:

- Housing Conservation
- Housing Production (especially affordable housing)
- Housing for Persons with Special Needs (seniors, disabled, homeless, single parents, etc.)
- Elimination of Housing Constraints
- Fair Housing/ Equal Opportunity

Thirty-six (36) programs, with responsible party, timeframe, and potential funding source, are identified for action following completion of the Housing Element. Following approval by the City Council, and certification by HCD, the programs identified in Chapter 6 would form the basis of a work program beginning immediately.

FINANCIAL IMPACT

Currently the City does not have a locally controlled funding source dedicated to housing policies and programs. In limited cases, some potential projects may be eligible for relatively small amounts of federal funding through the Community Development Block Grant (CDBG) program, which is administered by Alameda County. One of the suggestions made by attorneys representing the Albany Housing Advocates is to allocate the increase in property tax revenues to the City that resulted from the elimination of redevelopment agencies to housing programs and projects. The Planning and Zoning Commission recommends that the Council further explore this request.

NEXT STEPS

By law, the State has 60 days to issue a letter to the City indicating whether the document substantially complies with statutory requirements. Typically, the State requests changes and clarifications which the City will then consider. During December 2013 or January 2014, it is expected that the Element will be revised again (based on State comments) and brought back to the Planning and Zoning Commission for formal action by resolution. Following a Commission recommendation, the Element would be forwarded to the Council for adoption. Additional changes may be made during this process.

Attachments

- Draft Housing Element
 Summary of Commission and Public Comments
 Correspondence from Bay Area Legal Aid