



COUNTY OF

For the meeting of: 8/20/201

File #: 19-1157

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Public Hearing

SUBJECT:
Adoption of 2019 Housing Element of the Humboldt County General Plan

RECOMMENDATION(S):

That the Board of Supervisors:

1. Open the public hearing and receive the staff report and public testimony;
2. Close the public hearing and consider the Planning Commission's recommendations; and
3. Adopt Resolution (Resolution 19-__) Attachment 1 doing the following:
 - a. Finding the Board of Supervisors has considered the Environmental Impact Report for the Humboldt County General Plan, prepared in accordance with California Environmental Quality Act (CEQA) Guidelines Section 15168 (c)(2), and the Addendum to the General Plan Environmental Impact Report (EIR) in Attachment 4 and find that the EIR sufficiently addresses the potential environmental impacts associated with adoption of the 2019 Housing Element, and find that no new information has been presented to change the findings of the EIR in accordance with section 15162 of the state CEQA Guidelines;
 - b. Consider the findings of the Department of Housing and Community Development ("HCD") pursuant to Government Code Section 65585(e);
 - c. Consider the Planning Commission's findings and recommended 2019 Housing Element amendments;
 - d. Adopt the 2019 Housing Element;
 - e. Direct Planning staff to prepare and file a Notice of Determination with the County Clerk and the State Office of Planning and Research;
 - f. Direct Planning staff to promptly file the adopted 2019 Housing Element amendments with HCD pursuant to Government Code Section 65585(g); and
 - g. Direct Planning staff to promptly distribute the adopted amendments to the Housing Element to all public agencies and private entities that provide water or sewer services within Humboldt County with a written acknowledgment that public agencies and private entities providing water or sewer services shall grant a priority to developments that include housing units affordable to lower income households pursuant to Government Code Section 65589.7(a).

SOURCE OF FUNDING:

The salary funding for this work is included in the General Fund contribution to the Long-Range Planning unit, 1100-282. Staff time for development of eligible implementation measures may be

covered by the Planning Grants Program (SB 2 (2017)) application being considered as a separate agenda item.

DISCUSSION:

State law requires cities and counties to have Housing Elements as part of their general plans, and that jurisdictions regularly update and amend their Housing Elements in accordance with a mandated schedule.

Housing Elements must address specific statutory requirements with respect to analysis and content, but an update effort that focuses solely on those requirements will not be adequate. A Housing Element must also address the community's specific housing needs and issues, reflect the community's priorities, and be consistent with the other elements of the jurisdiction's general plan. State law also mandates the adoption of specific housing programs that implement the goals, policies, and standards of the element. Broadly, the Housing Element supports the preservation, improvement, and development of housing for all income categories in the unincorporated areas of the county, and considers the housing needs of all residents regardless of level of income.

Humboldt County's Housing Element is Chapter 8 of the General Plan along with Appendix G, the Housing Element Appendix, which provides supporting documentation. The 2019 Housing Element amendments cover an eight-year planning period from 2019 to 2027, also referred to as "the 6th cycle". Housing Elements are subject to compliance review by the state, and Humboldt County's 2014 Housing Element compliance with state law sunsets on August 31, 2019. Adoption of the Planning Commission recommended amendments by August 31st will keep the county's Housing Element in compliance. There are consequences should the county not adopt a Housing Element by August 31st including jeopardizing the county's eligibility for state and federal housing funding.

While the Planning Commission's recommended housing element amendments continue in the tradition of previous housing elements of proposing reforms to the county's development codes and internal processes to encourage more affordable housing production, the recommended amendments also propose a number of bold new approaches to encourage the production of housing and forms of housing that is more affordable to residents. For example, the amendments propose to dramatically expand allowances for accessory dwelling units (formally known as second units), and to create new allowances for tiny homes, moveable tiny houses, and tiny house villages. The amendments also include a safe parking pilot program that will identify safe parking areas to better address the needs of those experiencing homelessness.

The amendments also transition the Planning and Building Department from a role that is reactive and being a regulator, to an agency that engages the property owners and builders, actively partners with private and community non-profit developers, and collaborates with the Department of Health and Human Services and other county agencies to leverage expertise. The amendments also direct the county to work with the cities and tribes to develop more housing. Altogether, the amendments represent a paradigm shift to address the housing needs of everyone in our community.

This departure from the traditional approaches is in response to near unanimous input heard at public

workshops and Planning Commission hearings that the traditional approaches to fix housing affordability are not working. Changing zoning, adjusting development standards, internal process improvements while beneficial are not adequate, and the needs of residents continue to be unmet, especially households who are very low income and low income or who are experiencing homelessness.

Summary of Public Engagement

Since the beginning of the year, staff has been busy engaging the public and key stakeholders in a dialog about the Housing Element. Discussion and information exchange sessions were held with interested agencies and stakeholders, with the goal of outlining areas of interests and sharing data.

Planning staff held two series of public workshops. The first series were at four locations throughout the county over a two-week period in late February 2019 to early March. These workshops focused on gathering input on what policies and programs the Housing Element should contain. The second set of workshops reviewed a Housing Element Policy and Program Report, a document circulated ahead of the meetings which laid out the draft goals, policies, standards, and implementation measures that are proposed in the amendments. This second workshop series occurred in late April 2019, and the workshops were again held in four dispersed locations. In both cases, advance notice was provided using newspapers of general and local circulation, and use of the county's NOTIFY ME platform.

There were three Planning Commission public hearings held beginning in mid-May, with the final hearing being July 11, 2019. These public hearings were preceded by a Planning Commission workshop on May 2, 2019 and a brief departmental presentation on April 18th. At the July 11, 2019 meeting, the Planning Commission heard broad community support for the Housing Element as proposed.

Communication with Legal Services of Northern California

The county has received three separate letters from Legal Services of Northern California ("LSNC"), letters dated May 13, 2019, June 6, 2019, and July 10, 2019. Since receipt of the initial letter from LSNC, Planning staff has been in communication with Ms. Turner, including meeting in person and by phone. Many of the points raised in these letters and meetings have been duly considered, and resulted in a number of revisions to the Housing Element amendments. All of LSNC's suggestions were considered by the Planning Commission. LSNC represents petitioners in unresolved litigation over the adequacy of the county's Housing Element, *Housing for All v. County of Humboldt*, Case No. CV070159, pending since 2008.

Planning Commission Recommendations

The Planning Commission's approved resolution, staff report, and public comments received by the Planning Commission are included in Attachment 5. The Planning Commission's recommendation includes two new implementation measures H-IM76 and H-IM77 which are summarized below:

H-IM76. Progress Reports to the Planning Commission. The county shall annually report the progress of Housing Element implementation to the Planning Commission following the filing the annual progress report as required by Government Code Section 65400. Then at the mid-point of the planning cycle, the Planning Commission shall review and evaluate progress of

Housing Element implementation. The Planning Commission may recommend that the Board of Supervisors initiate amendments to the Housing Element if it is found that insufficient progress has been made.

H-IM77. Support and Create Partnerships with state and federally Recognized Indian Tribes.

The county shall work with all state and federally recognized Indian tribes and their respective housing authorities, to develop housing affordable to low income households and associated infrastructure. All of the currently recognized state and federal Indian tribes are enumerated in the measure.

Responses to the Department of Housing and Community Development (“HCD”)

In addition to the Planning Commission’s recommended additions, further edits are incorporated in the attached Housing Element amendments in response to input from the Department of Housing and Community Development (“HCD”).

Chapter 8 edits requested by HCD include expanding the narratives summarizing progress on the 2014 housing element programs, and the public engagement effort undertaken for the 2019 amendments. HCD also requested that quantified objectives be added to the following Implementation Measures:

- The number of units projected to be incentivized and assisted (H-IM15),
- Number of assisted housing units to be retained as affordable units (H-IM19),
- Projected completion dates for individual categories of pre-approved plans (H-IM29)
- Estimated number of accessory dwelling units to be incentivized (H-IM44)

A number of edits and updates to Appendix G were requested by HCD for the demographic and housing data to reflect more recent data provided by HCD. Other Appendix G edits and updates requested:

- The typical building and connection fees charged for residential development.
- For discretionary permits, the Planning fees charged.
- Ensure the Housing Element includes language regarding the statutory mandate that all public agencies and private entities that provide water or sewer services shall grant priority to developments that include housing units affordable to lower income households.
- Clarify that the county’s nomenclature of “development potential” is the equivalent of statutory language of “realistic capacity”.
- Updates and clarifications on the entire residential land inventory concerning whether a site is vacant.
- For a number of sites in the Affordable Land Inventory, updates to the descriptions and project status for those with pending projects.
- As of July 23, 2019, HCD’s position concerning APN 016-152-020 et seq. (formerly APN 016-152-001) is the site is not eligible for inclusion in the Affordable Land Inventory.

Aside from APN 016-152-020, Planning staff has agreed, and has completed the edits and updates requested by HCD. Staff contends the subject site should be retained in the Affordable Land Inventory because the site meets both state and local requirements for inclusion in the Affordable Multifamily Land Inventory. Staff’s reasoning for retention have been transmitted to HCD, and we are waiting HCD’s findings. Should the issue not be resolved, additional sites that could accommodate

development of affordable multifamily housing may need to be identified.

These further edits are minor changes that do not substantially affect the Planning Commission's recommended goals, policies, standards or implementation measures, are reasonably based on credible information that is readily accessible to the public, are necessary to respond to input by HCD regarding compliance with housing element law, and are not considered substantial changes requiring further review by the Planning Commission as described in their approved resolution.

Another important edit concerns Attachment G of Appendix G. On staff's recommendation, the Planning Commission's recommended amendments include the removal of Attachment G of Appendix G. (Attachment G contains the maps depicting the parcels where emergency shelters are principally permitted.) Following the July 11, 2019 Planning Commission hearing, it came to staff's attention that removal of Attachment G at this time is premature and would result in the county not following Housing Element law, specifically Government Code Section 65583(a)(4)(A). Attachment G can be removed, however, as part of the adoption of the amendments to the Zoning Regulations outlined in H-IM54. Additionally, as Attachment G is part of the Housing Element, and therefore the General Plan, an amendment to the General Plan would be needed to remove the attachment. Accordingly, staff recommends the Board retain Attachment G, and adopt the modified language of H-IM54 to include a General Plan amendment found in Attachment 2. The suggested edits are also minor in nature, ensures the county is compliant with Housing Element law, and does not require a referral to the Planning Commission.

FINANCIAL IMPACT:

Failure to approve the amendments to the Housing Element before August 31, 2019, will jeopardize the county's eligibility to apply for state and federal funding programs for housing and shelter because the county will no longer be compliant with Housing Element law. As stated above, 17 measures to be completed by December 31, 2019. For calendar year (CY) 2020, a total of 19 measures are to either initiated or completed. Post CY 2020, the number of measures to be either initiated completed taper off significantly. Over the entire 8 year planning period, there are 31 measures. The FY 2019-2020 Long-Range Planning staff budget for Housing Element is:

- 1.0 FTE Planner I/II at \$69,000; and
- 0.50 FTE Senior Planner at \$55,000.

The staff positions are already filled and allocated, and no additional staff is needed for the adoption or implementation of the Housing Element Amendments. It is anticipated for the second-year levels will remain similar as fiscal year (FY) 2019-2020. Subsequently, given the decrease in number of measures to be initiated/completed it is anticipated staffing levels needed for housing element implementation will decrease. Grant funding will be used to supplement existing sources such that implementation of the Housing Element will not affect fees collected for housing projects.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by retaining existing and facilitating new living-wage private sector jobs and housing and protecting vulnerable populations.

OTHER AGENCY INVOLVEMENT:

The Department of Housing and Community Develop will review the Board's adopted Housing Element amendments for compliance with Housing Element law. If, as anticipated, it is found to be substantially in compliance, the county's adopted Housing Element will be certified. During the planning period Housing Element certification is subject to the Housing Accountability Act, Government Code Section 65589.5 et seq. Other county agencies will be involved in implementing Housing Element programs, Department of Health and Human Services, Social Service and Division of Environmental Health branches, and the Department of Public Works. Community services districts will also be involved, but to more limited degree, in facilitating implementation of the 2019 Housing Element Amendments.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose to adjust the timeframes for implementation of the housing programs in Chapter 8 such that they are more evenly dispersed over the eight-year planning period. At this time 17 measures are slated to either be completed or to commence by December 31, 2019, 15 measures by December 31, 2020, and 9 measures by December 31, 2021. Thirty measures are ongoing.

ATTACHMENTS:

1. Draft Board of Supervisors Resolution No. 19-_____
2. Housing Element, Chapter 8
3. Housing Element, Appendix G, and Attachments A through J
4. California Environmental Quality Act Addendum to the General Plan Program Environmental Impact Report.
- 5a. Planning Commission Resolution 19-94
- 5b. Planning Commission July 11, 2019 Staff Report; links and URLs for May 16, 2019 and June 6, 2019 s[Staff Report](#)taff reports
- 5bc. Public Comments

PREVIOUS ACTION/REFERRAL:

Board Order No.: n/a

Meeting of: n/a

File No.: n/a