ITEM NO. 16

STAFF REPORT

CITY OF OCEANSIDE

DATE: June 17, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department
Housing and Code Enforcement Division

SUBJECT: **ADOPTION OF THE 2005-2010 HOUSING ELEMENT AS REVISED**

SYNOPSIS

Staff recommends that the City Council adopt the Housing Element of the General Plan for the years 2005-2010 as revised.

BACKGROUND

The State of California requires every city and county to prepare a general plan in accordance with state law. One of the required elements of a general plan addresses housing policy and programs. The state legislature has long recognized housing as a vital issue of statewide concern, so unlike the other elements of a general plan, the Housing Element must be updated once every five years and reviewed by the California Department of Housing and Community Development (HCD) for compliance with State Law. Through their Housing Elements, cities and counties are required to contribute toward meeting State housing goals and cooperate with other local governments to address regional housing needs.

The content and process by which a Housing Element is prepared and adopted is prescribed in Government Code Section 65583. A Housing Element consists of seven primary components: 1) an assessment of existing and projected housing needs for all income levels and "special needs" groups; 2) an assessment of the progress made during the last Housing Element cycle; 3) an identification of the resources that the City has available, especially a site inventory; 4) an identification of nongovernmental and governmental constraints on the delivery of housing; 5) a set of housing goals, policies and programs; 6) a detailed five-year program of actions to implement the goals and objectives of the housing element; and 7) a set of quantified objectives.

The City Council previously reviewed the Housing Element in October 2007 and authorized its release for public comment and submittal for review by the State Department of Housing and Community Development (HCD). Since late 2007, the City has been negotiating with HCD regarding the changes that HCD recommended be made in order for HCD to make a determination of the Housing Element's compliance

with State Law. The revisions consist of a series of changes that provided HCD with an ever-increasing amount of detail and expansion of the draft Housing Element: Primarily, a more detailed and expanded site inventory covering the entire City, a more detailed description of the permitting and regulatory processes of the City, and more detailed explanations of the City's recommended programs. These changes were made as a result of protracted communications with the State HCD Housing Element reviewer. The Housing Element review process has been delayed due to the fact that the City does not currently have a comprehensive GIS system which identifies all existing zoning and uses on each property within the City thereby requiring a manual site analysis review by staff.

ANALYSIS

The State Housing and Community Development Department's review largely focuses on the City's analysis of housing capacity and available sites. Changes to Housing Element law were enacted in 2004 (AB 2348) to provide more clarity and guidance on the content of an adequate land inventory and sites analysis. The new statute requires detailed analysis of a city's land capacity given such factors as: the amount of vacant land, infill and redevelopment potential, planned densities, availability of services, and environmental constraints. The analysis also must evaluate the appropriateness of a city's zoning (density) to encourage and facilitate housing for lower income households.

The Housing Resources section of the Housing Element provides an expanded adequate sites discussion, addressing HCD's concerns about infrastructure, the suitability of non-vacant and smaller sites, and density. Since the Housing Element relies on mixed-use and infill development to accommodate a portion of the City's regional share of housing need, HCD requested additional information to demonstrate that potential redevelopment, infill, and mixed-use development exists and is expected to occur during the planning period.

As revised, the Housing Element (Attachment 1) shows that the City has adequate capacity and sufficient sites planned for the appropriate residential density to meet its share of the regional need for new housing for the 2005-2010 Housing Element period. The City's regional share for the period is 6,423 new units: 1,454 units for very low-income households; 1,042 units for low-income households; 1,215 units for moderate-income households; and 2,713 units for above moderate-income households. Since 2005, 1,380 new residential units have been produced in the City. As required by HCD, Program 9 of the Housing Element has been updated with specific HCD-recommended language which requires rezoning of parcels identified therein (Attachment 2) to residential uses within the Housing Element planning period. This list of parcels had been previously approved by the City Council as part of the initial adoption of the Housing Element in October 2007. This action will assist the City in meeting its regional housing needs. Initial planning for the subsequent 5-year Housing Element is being coordinated through SANDAG.

The City has included the following programs in the Housing element to help achieve the City's housing goals, including the regional share goals and affordable housing goals: Housing Revenue Bonds, Low-income Tax Credits, Density Bonus, Inclusionary Housing, Redevelopment, Section 202 New Construction (Elderly), Accessory Units, Farm Worker Housing, Potential Residential, Smart Growth and/or Transit-Oriented Districts, Homeless Facilities, Rental Vouchers, Manufactured Home Rental Adjustment, Acquisition and Rehabilitation, Manufactured Home Grants, Home Buyer Assistance, Mortgage Credit Certificates, Fair Housing, and Mixed Use and Redevelopment. These programs provide a range of activities that the City proposes to undertake to promote the provision of housing opportunities to serve all income levels.

The Housing Element was also previously reviewed under the provisions of the California Environmental Quality Act and a Mitigated Negative Declaration was prepared stating that if the mitigation measures identified in the document are met, there will not be a significant adverse impact upon the environment. The Negative Declaration was approved as part of the Council's initial action on the Housing Element.

Upon adoption of the revised Housing Element, HCD will certify that the document complies with State Housing Element law (Attachment 3).

FISCAL IMPACT

The lack of an approved Housing Element limits the City's ability to apply for and/or obtain available regional funding opportunities.

COMMISSION OR COMMITTEE REPORT

The draft Housing Element was initially presented to both the Planning Commission and Housing Commission in 2005 for recommendations authorizing the City Council to submit the Element to HCD for review.

CITY ATTORNEY ANALYSIS

The attached document has been approved as to form by the City Attorney's Office.

RECOMMENDATION

Staff recommends that the City Council adopt the Housing Element of the General Plan for the years 2005-2010 as revised.

PREPARED BY:

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SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

George Buell, Development Services Director

Jerry Hittleman, City Planner

Attachments:
1. Revised Housing Element
2. Program 9: Potential Residential Sites
3. HCD Housing Element review letter

MEMORANDUM

DATE: June 17, 2009

TO: Honorable Mayor and Councilmembers

FROM: Patricia Allison, City Manager's Office

SUBJECT: **AVAILABILITY OF DOCUMENTS FOR REVIEW**

Due to its size, the remaining document for this item is not included in the agenda packet, but may be viewed by going to the follow City Web site location:

http://www.ci.oceanside.ca.us/pdf/Housingelement_2005-2010.pdf