"Placerville, a Unique Historical Past Forging into a Golden Future"



City Manager's Report April 12, 2016 City Council Meeting Prepared By: M. Cleve Morris

Item#: 15.1

Subject: Informational report on Housing Element progress and meetings with SACOG and our State Legislators.

Discussion: At the City Council Meeting on February 23, 2016, the Council adopted zoning text amendments to the R-5 Multi-Family Zone District with a minimum of 20 units per acre density. This action was necessary to meet compliance with our General Plan Housing Element. At that meeting, it was discussed to engage the Sacramento Area Council of Governments (SACOG) and our State Legislators to see if progress can be made to ease the burden of affordable housing required for Placerville.

On March 10, 2016, Staff, Mayor Wilkins and Vice-Mayor Clerici met with representatives of SACOG to discuss these issues. SACOG provided valuable information on how we can work on three issues:

- 1. What options do we have for the 106 required affordable units from the Cycle 4 Housing Element?
 - a. Because this was a penalty for not meeting our required allocation for Cycle 4, the only option we have at this time is to zone approximately 5 acres to R-5 or an R-5 overlay zone at the default 20 units per acre minimum density.
- 2. What options do we have to meet the 133 units required by the Cycle 5 Housing Element?
 - a. State housing law allows for an analysis to prove that we can accommodate the required affordable housing within existing zoned property at a lower minimum density. This means that we would need to show that we can accommodate the 133 units on existing R-3 or R-4 zoned property. Contrary to past conversations regarding this analysis, SACOG representatives stated that this is a good alternative that state Department of Housing and Community Development (HCD) is open to and has some flexibility on. SACOG also provided examples and templates to prepare this analysis.
- 3. How can we address these numbers in the future to better reflect our local housing needs?
 - a. The Regional Housing Needs Assessment (RHNA) numbers are given to SACOG by the State and then allocated by SACOG to each jurisdiction. The primary factor in determining this distribution is projected population growth. A number of factors play into this analysis including state projections and local jurisdiction recommendations. These numbers are reviewed by Staff and we are given opportunity to comment. SACOG has a very transparent process in allocating these numbers. For the next housing element cycle beginning in 2021, the City will need to be much more involved in the allocation of these numbers to

make sure that all factors are considered, including population growth, existing inventory, and community characteristics such as slope issues.

On March 14, 2016, Vice-Mayor Clerici, Councilmember Acuna, and Staff met with Senator Gaines' Chief of Staff, Dave Titus, to discuss these same issues. We discussed our concerns, however not in as much detail. Mr. Titus committed to assist in whatever way possible.

On March 28, 2016, Councilmembers Acuna and Thomas and Staff met with Assemblyman Frank Bigelow and his staff. Also in attendance were representatives from HCD, including Ben Metcalf, Director; Glen Campora, Assistant Deputy Director; Di Richardson, Legislative Director; and William Webber, Assembly Republican Caucus. This meeting was very helpful. Mr. Metcalf is new in his position as Director and it was important to have him in attendance. Mr. Campora provided a lot of valuable information, much of which confirmed the information provided by SACOG, as outlined above. Two important issues that came out of this meeting:

- 1. HCD can provide assistance and review of our Low-Income Housing Density Analysis. They also agreed to provide examples of previously approved Analyses from similar jurisdictions.
- 2. It was also important to note that once the City has satisfied the 106 units for the Cycle 4 Housing Element, that zoning can be changed (rezoned) at the end of Cycle 5 if we can meet the Cycle 6 zoning inventory without it.

These meetings were extremely helpful in understanding how we can meet the requirements of our Housing Element and State housing law while maintaining the culture of Placerville in consideration of our topographical constraints. Staff is working on a final plan of how to proceed, which we will bring back to Council in the near future. It is our hope and plan to be able to meet the requirements with only minimal R-5 zoning to meet the 106 units. And, that zoning could potentially be released at the start of the Cycle 6 Housing Element in 2021.

Staff would like to thank all Councilmembers who have helped in this process. We now have much better direction on how we can accomplish this task and have a Housing Element compliant with State housing law.

Options: Information only.

Cost: None at this time.

Budget Impact: None.

Recommendation: No action.

M. Cleve Morris, City Manager

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