



CITY OF HEALDSBURG

2015-2023 HOUSING ELEMENT UPDATE

Community Workshop

May 6, 2014



Workshop Agenda



- **Introductions (10 minutes)**
- **Presentation (30 minutes)**
 1. Housing Element Overview
 2. Regional Housing Needs Allocation (RHNA)
 3. Preliminary Background Report Findings
- **Questions and Answers (15 minutes)**
- **Workshop Exercises (60 minutes)**
- **Wrap-up (5 minutes)**

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Housing Element Overview



Housing Element Overview



- The City's plan to meet the existing and projected housing needs of all economic segments of the community
- One of the seven mandated elements of the general plan
- New 8-year timeframe, set by State law (2015-2023)
 - Adoption due date is January 2015
- Review by California Department of Housing and Community Development (HCD) for compliance with State law



Housing Element Overview



Importance of Compliance

- Maintain local discretion over affordable housing projects
- Legal responsibility
 - Must be certified for adequate General Plan
- Access to State funding resources
- Fiscal obligation
 - Could have to pay legal fees, including plaintiff's fees, if challenged

Housing Element Overview



Part 1: Background Report

- Housing Needs Assessment
 - Existing Housing Needs
 - Special Housing Needs Groups
 - 8-Year Projected Housing Needs
- Potential Housing Constraints
 - Governmental Constraints
 - Non-Governmental Constraints
- Housing Resources
 - Financial Resources
 - Residential Sites Inventory

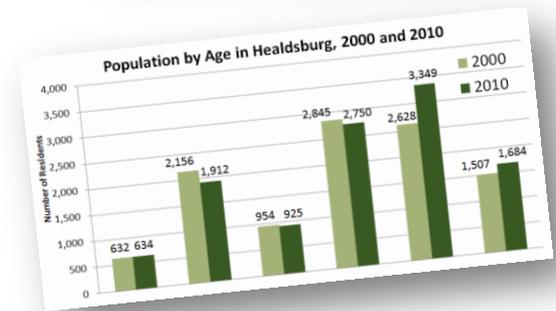


TABLE 7
STATE INCOME CATEGORIES
City of Healdsburg
2014

Income Category	Percent of County Area Median Income (AMI)
Extremely Low	0-30% AMI
Very Low	31-50% AMI
Low	51-80% AMI
Moderate	81-120% AMI
Above Moderate	120% AMI or greater

Housing Element Overview



Part 2: Policy Document

- Goals, Policies, Programs, & Quantified Objectives
 - Adequate vacant residential sites
 - Assist in development of affordable housing
 - Address governmental constraints
 - Preserve existing affordable housing
 - Promote equal housing opportunities



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Regional
Housing
Needs
Allocation



Regional Housing Needs Assessment



California
(Housing and Community Development)



ABAG
Association of Bay Area Governments
2014 -2022 RHNA = 187,990 units



Sonoma County 8,444	Contra Costa County 20,630	Marin County 2,298	Napa County 1,482	San Francisco County 28,869	San Mateo County 16,418	Santa Clara County 58,836	Solano County 6,977	Alameda County 44,036
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Healdsburg 157	Cotati 137	Cloverdale 211	Petaluma 745	Windsor 440	Santa Rosa 4,662	Sebastopol 120	Sonoma 137	Unincorporated 936	Rohnert Park 899
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Regional Housing Needs Allocation

RHNA for City of Healdsburg by Income Category, 2014-2022

Income Category	Target Housing Units	Income Range (4-pers. household)	Affordable Monthly Rent
Extremely Low Income (<30% of Median Income)	15	< \$23,050	< \$575
Very Low Income (<50% of Median Income)	16	\$23,050 - \$38,450	\$575 - \$960
Low Income (51-80% of Median Income)	24	\$38,451 - \$61,500	\$960 - \$1,540
Moderate Income (81-120% of Median Income)	26	\$61,501 - \$92,300	\$1,540 - \$2,300
Above Moderate Income (>120% of Median Income)	76	> \$92,300	> \$2,300
TOTAL	157	--	

2014 Area **Median Income** for Sonoma County jurisdictions is **\$76,900**

Key Facts and Findings

Who is Lower Income?

- **Very Low Income Occupations**
 - Childcare Workers
 - Home Health Aids
 - Cashiers
 - Waiters/Waitresses
- **Low Income Occupations**
 - Preschool Teachers
 - Bookkeeping, Accounting Clerks
 - Truck Driver
 - Office and Administrative Support
 - Medical Assistants
- **Moderate Income Occupations**
 - Kindergarten Teachers
 - Paralegals/Legal Assistants
 - Social Workers
 - Carpenters



Only 3.9 percent of homes in Sonoma County are affordable on a teacher's salary

Source: Redfin, www.redfin.com/research/reports/special-reports/2014/california-home-affordability-for-teachers.html#.U2KqPldUmN

Housing Types and Affordability

Housing Element basic assumption: Density = Affordability



The City must demonstrate that it has enough **vacant land** zoned at **appropriate densities** to accommodate the projected new housing units for each income category.

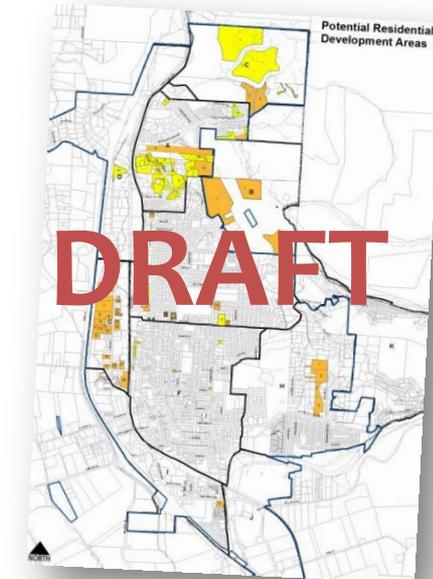
Regional Housing Needs Allocation



How will Healdsburg will meet the RHNA?

- Preliminary Inventory of Capacity
 - About 20 units under construction
 - About 220 units in approved projects
 - Capacity for about 300-500 units on 60 vacant and underutilized sites
 - Plus, over 300 units in Central Healdsburg Avenue Plan Area

Preliminary Finding: The City has enough residential capacity to accommodate the 8-year projection of need (i.e., the RHNA).



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Preliminary Background Report Findings

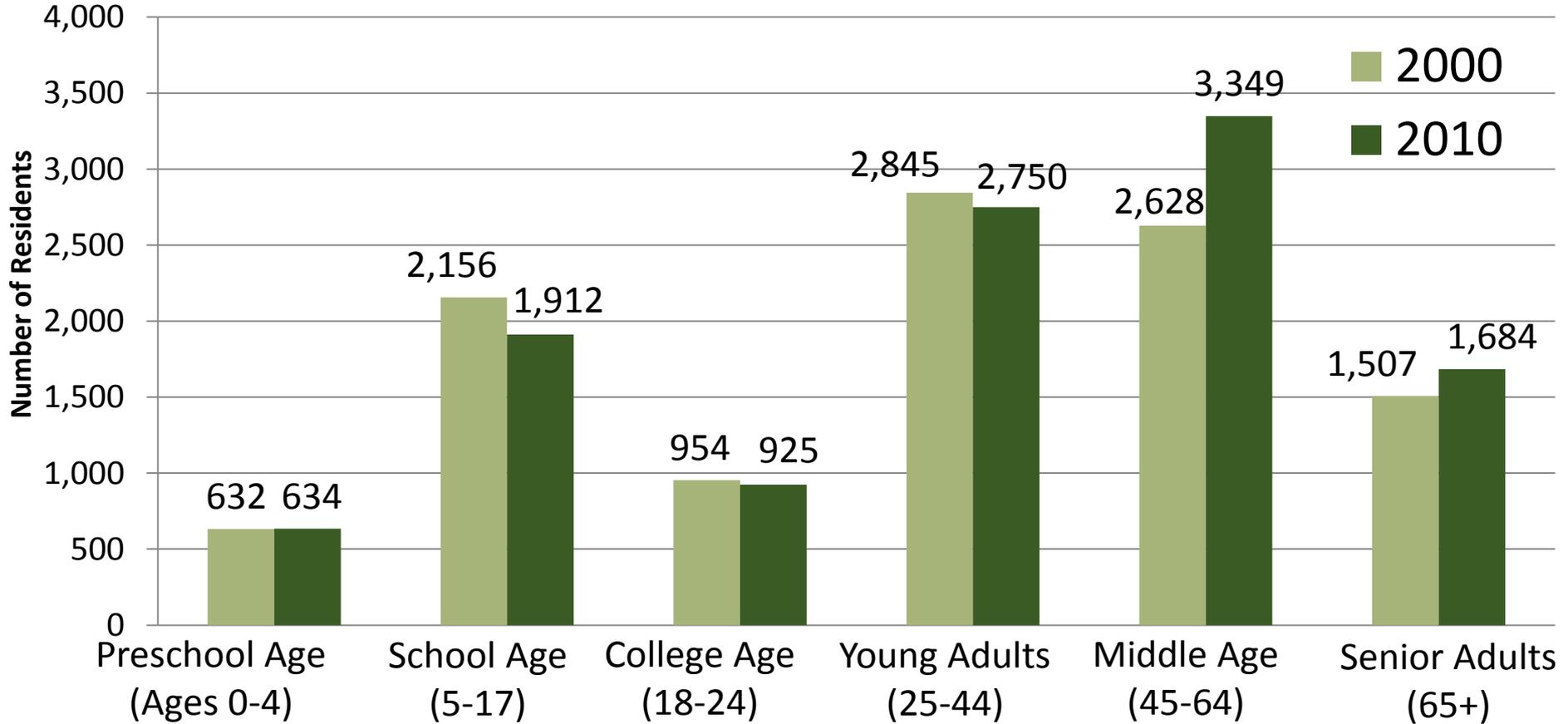


Housing Needs Assessment



Aging Population

Population by Age in Healdsburg, 2000 and 2010



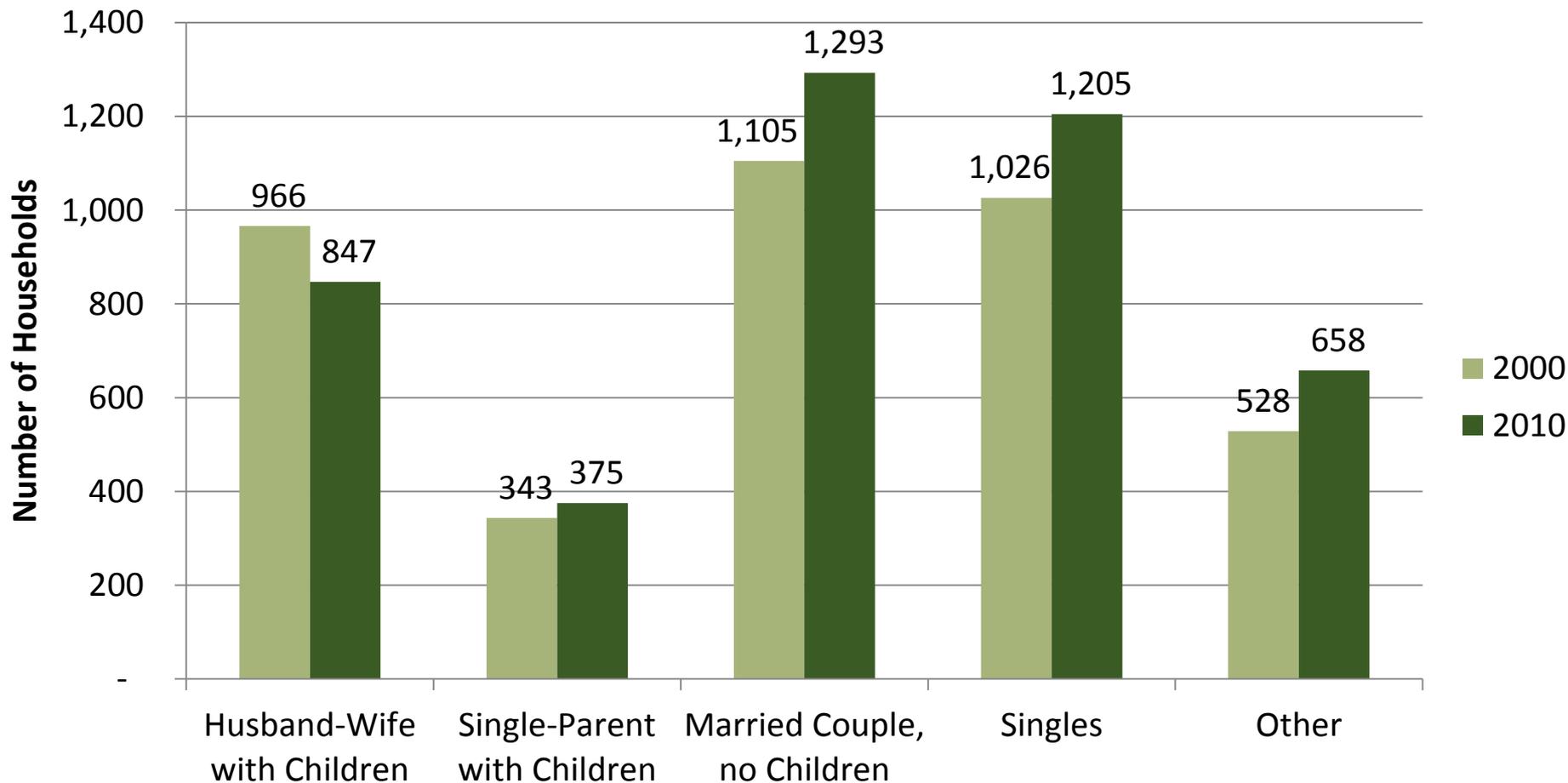
Source: 2000 and 2010 U.S. Census

Housing Needs Assessment



Changing Household Types

Household Types in Healdsburg, 2000 to 2010



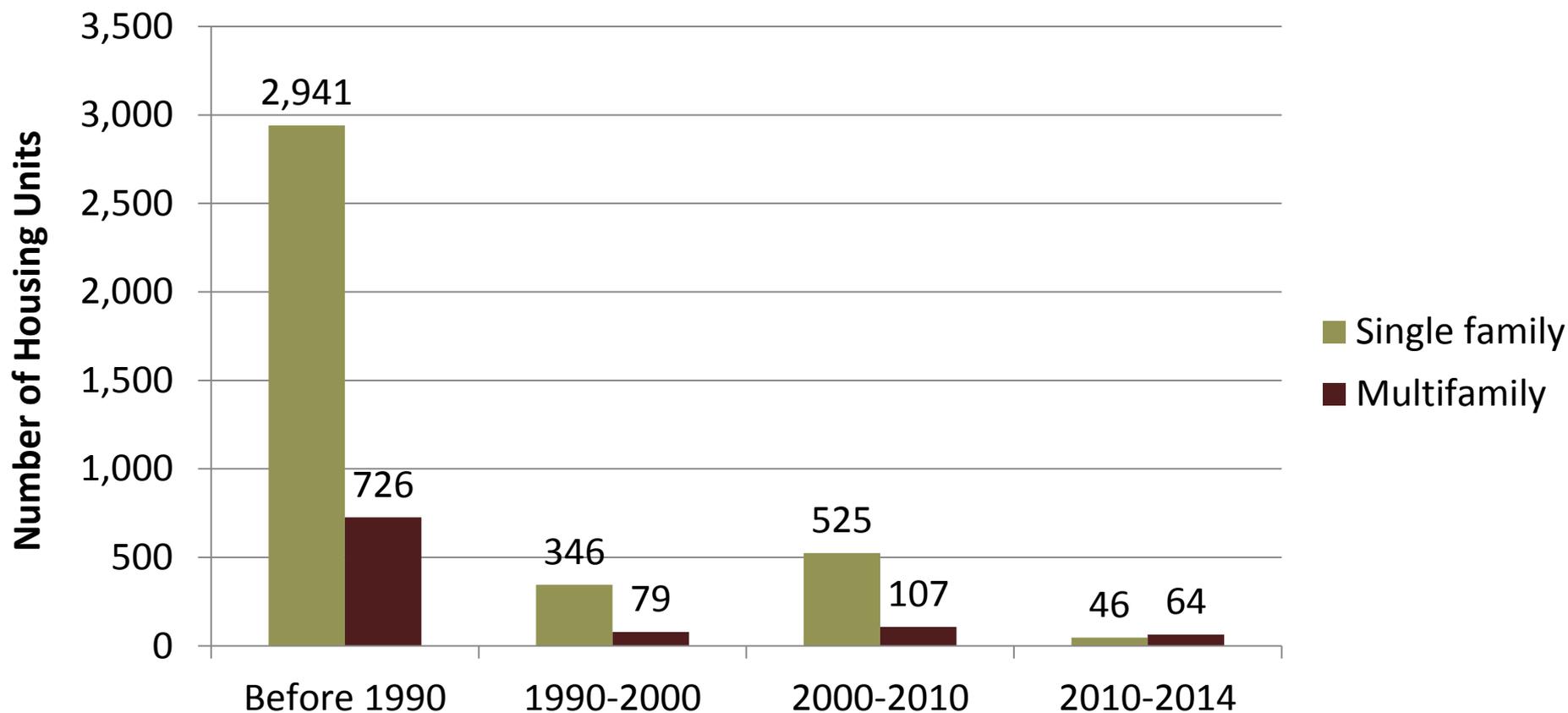
Source: 2000 and 2010 U.S. Census

Housing Needs Assessment



Housing Types

Housing Units by Type and Timeframe, Healdsburg 2014



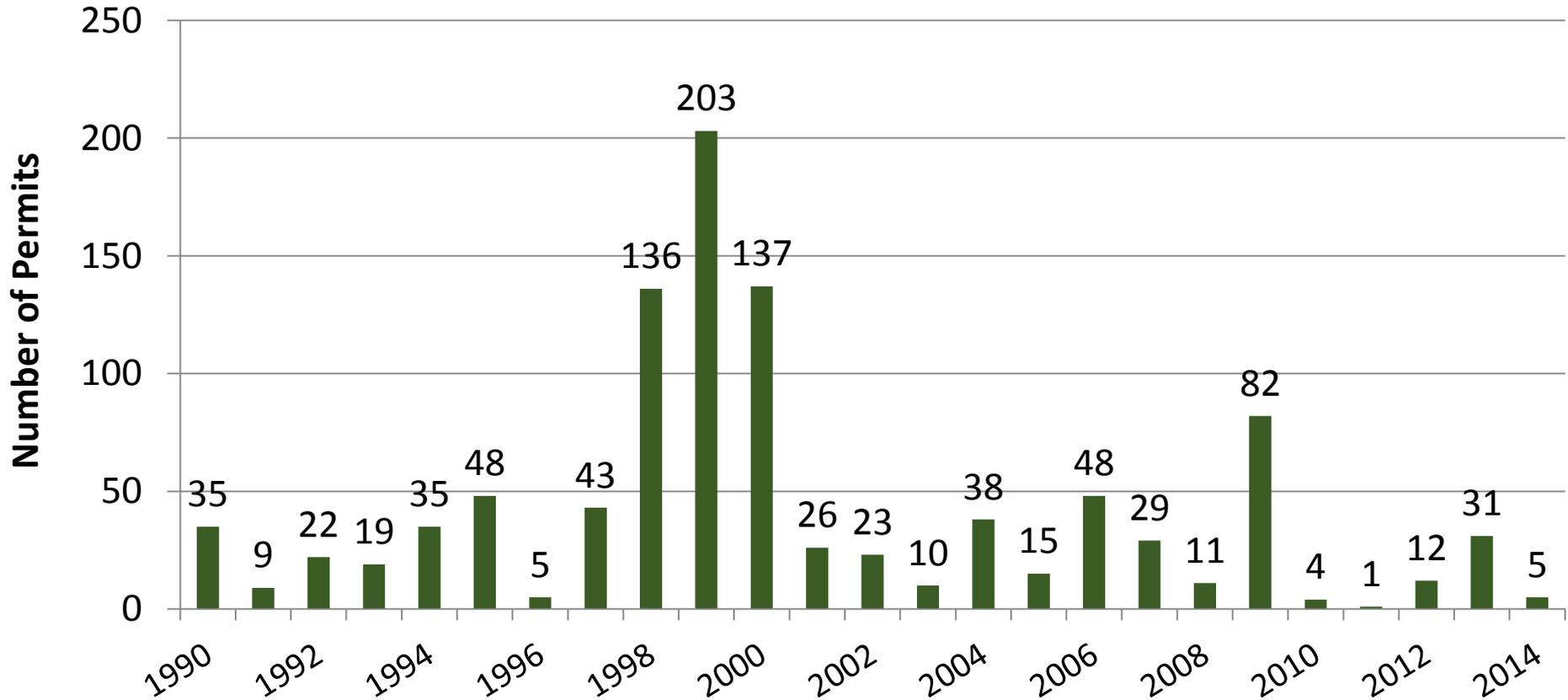
Source: 2000 and 2010 U.S. Census, 2014 Department of Finance

Housing Needs Assessment



Building Permits Issued by Year

Building Permits Issued in Healdsburg, 1990-2014



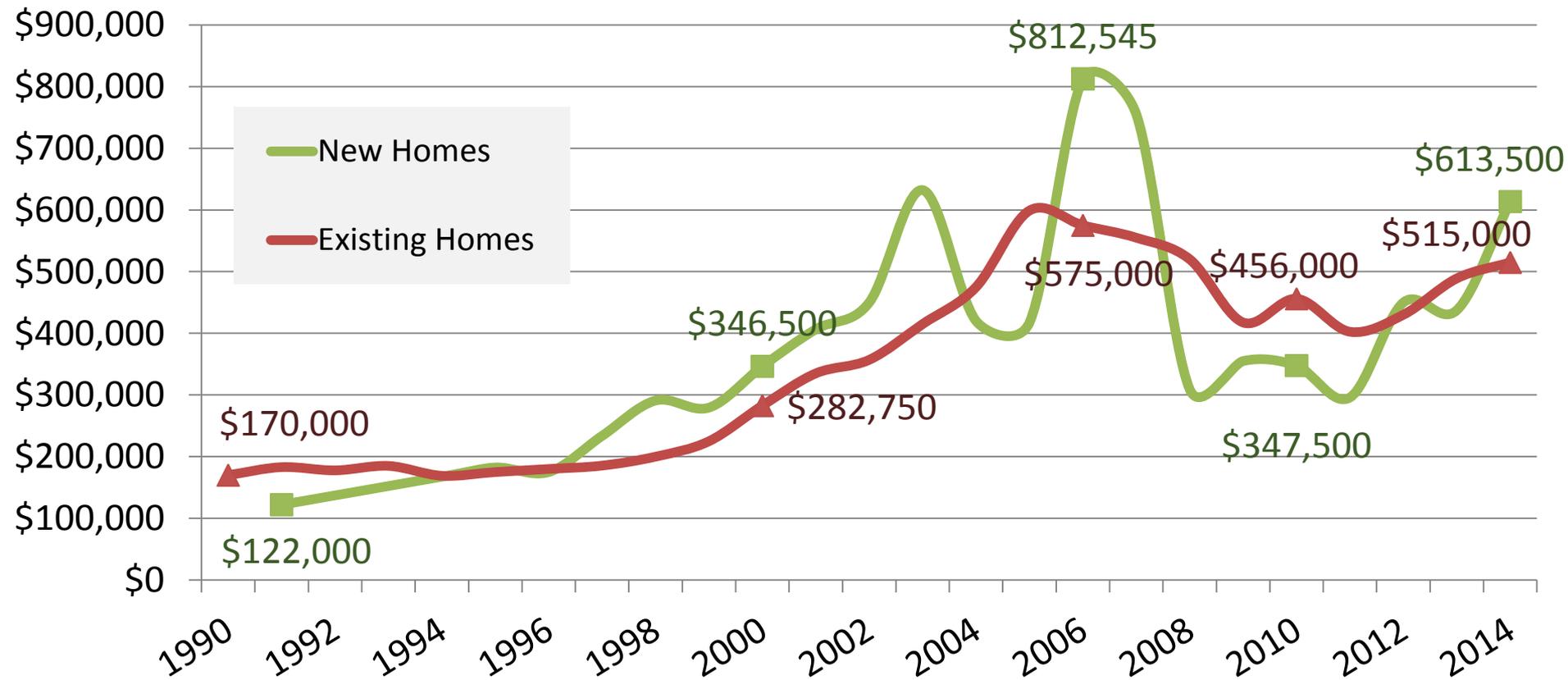
Source: City of Healdsburg, 2014

Housing Needs Assessment



Change in Median Sales Price

Median Sales Price of New and Existing Homes, Healdsburg, 1990-2014

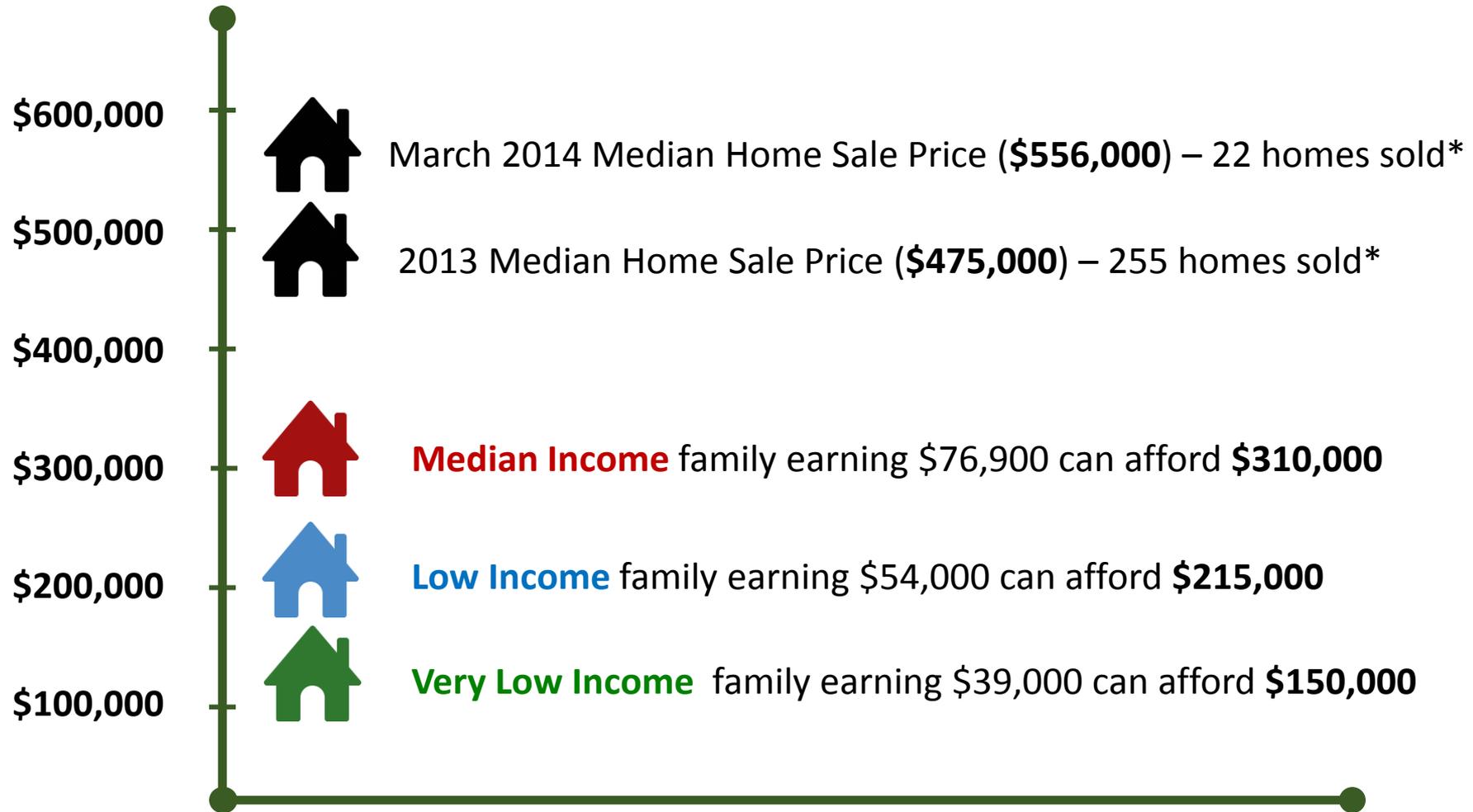


Source: 2014; Dataquick, 2014.

Housing Needs Assessment



Affordability Gap



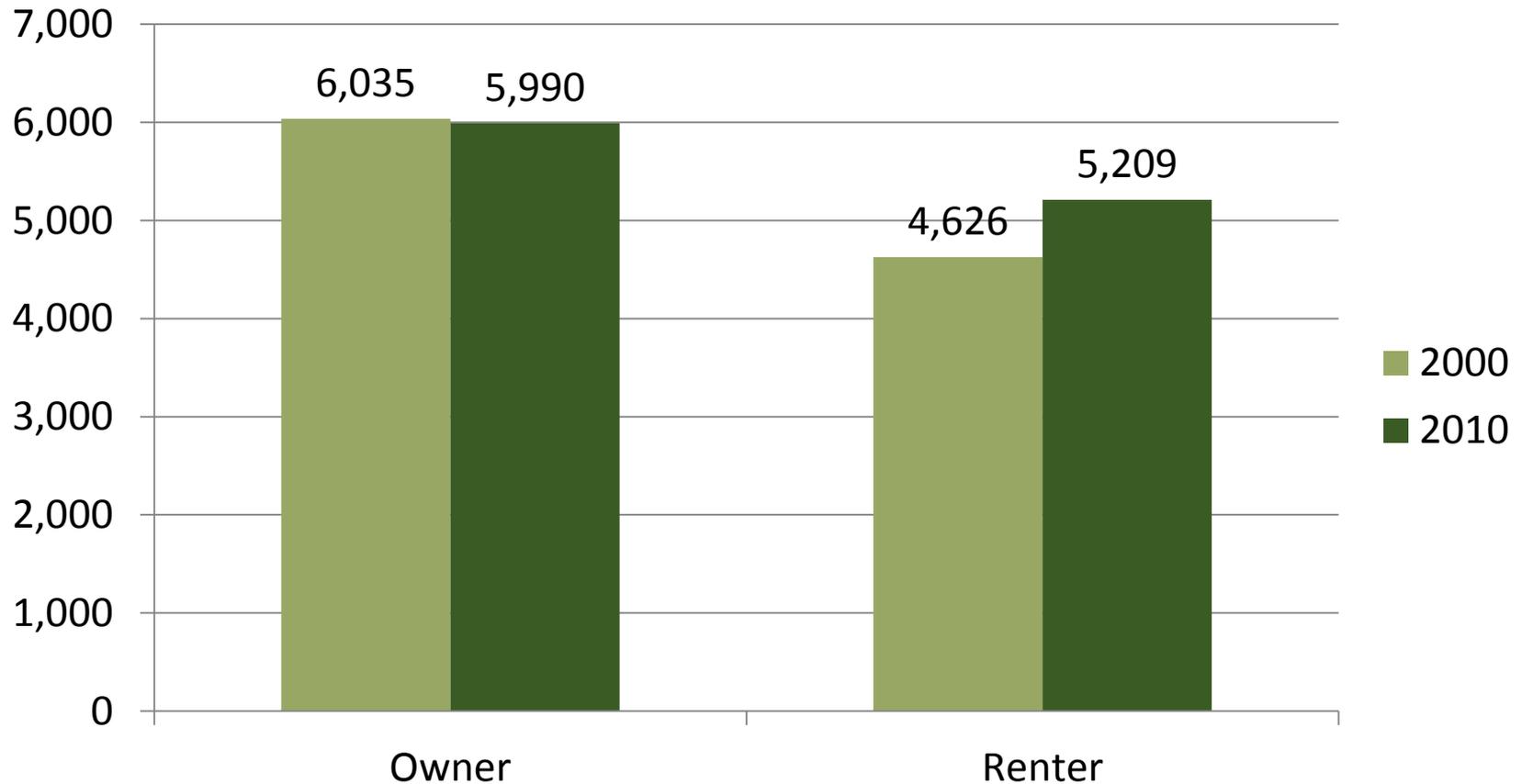
*Source: Dataquick, 2014

Housing Needs Assessment



Increasing Renter Population

Owners and Renters in Healdsburg, 2000 and 2010



Source: 2000 and 2010 U.S. Census



Observations in Healdsburg

- Households are changing in Healdsburg
 - Aging residents
 - Smaller families and empty nesters
 - New lifestyles and flexible employment

Growing demand for **new housing types**: smaller units, multifamily housing, mixed use, live/work units

- Effects of a successful tourism economy
 - More second homeowners
 - Competition for limited supply of homes

Growing need for affordable **“workforce housing”** for moderate income families

Constraints Analysis



Potential Housing Constraints

- Potential Governmental Constraints
 - Land use controls
 - Growth management
 - Development impact fees
 - Permit procedures
- Non-Governmental Constraints
 - Land costs
 - Construction costs
 - Availability of financing

Background Report Findings



Potential Housing Constraints

- Measure M Growth Management Ordinance
 - Allocations limited to average of 30 per year
 - Affordable units and second units are exempt
 - Large projects phased over multiple years
 - Constraint on market rate multifamily developments

Background Report Findings



Potential Housing Constraints

- Construction costs to build new units
 - Land costs increasing
 - Construction material costs increasing
 - Increasing labor costs increasing



Background Report Findings



Potential Housing Constraints

- Lack of funding for affordable housing
 - Loss of the Redevelopment Agency
 - Federal and State funding cuts for affordable housing



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Questions and Answers



Workshop Exercises

Workshop Exercises



- Please introduce yourself to the group
- Elect a “recorder” who will write down all the comments from your table
- Elect a “reporter” who will report out the group responses
- Please remember the following group exercise etiquette:
 - Allow everyone the opportunity to speak.
 - Be polite and try not to interrupt one another.
 - Record everyone's comments—they're all valuable!



- **Exercise #1: Major Housing Issues (20 minutes)**
 - What are the most significant housing issues in Healdsburg?
 - What does your group think are the top three issues?
- **Exercise #2: Solutions (20 minutes)**
 - Write your top three issues at the top of the boxes
 - How might the City of Healdsburg and the broader community address these major housing issues?
 - Vote for your top recommendation for each issue
- **Exercise #3: Other Big Ideas (10 minutes)**
 - What are some other ways the City and the community can improve housing opportunities in Healdsburg?
- **Reporting Out (10 minutes)**

Process and Schedule



Milestone	Schedule
Community Workshop #1	May 2014
Public Review Draft Housing Element	June 2014
Community Workshop #2	July 2014 (tentative)
Planning Commission/City Council Study Session	August 2014
Submit to HCD	August 2014
Public Hearing Draft Housing Element	October 2014
Environmental Review	October-November 2014
City Council Adoption Hearing	December 2014