

Creating Healdsburg's 2016 HOUSING ACTION PLAN

BUILDING THE HOUSING WE WANT

Panel Review and Discussion

A Healdsburg Community Forum
March 31, 2016



WHY ARE WE HERE?



The Community said we need:

- ✓ More housing that is affordable to a range of incomes
- ✓ More diversity in housing types

You said you are concerned about:

- ✓ Managing growth intelligently (vs. simply controlling growth)
- ✓ Ensuring new development 'fits' into our community

WHY ARE WE HERE?

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What we are doing:

- ✓ **Updating the GMO** to remove barriers to more diverse housing types
- ✓ Re-thinking allocations as a tool to generate **more housing units affordable** to working families
- ✓ Crafting our **first ever Housing Action Plan** to define specific actions and measurable targets that reflect stated community needs
- ✓ Seeking **new tools and funding** to achieve our targets

GMO IN A NUTSHELL

(What is being proposed?)

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Limit rate of Community Growth to 1% per year

Based on existing Market Rate Housing Stock

GMO IN A NUTSHELL

(What is being proposed?)

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1% Growth per year translates to:

- 45 New Housing Allocations each Year

During the next 'Housing Cycle' Starting January 1, 2017 and ending December 31, 2022

- 270 Allocations available Day One

Enables builders to bring forward more creative product types due to certainty of approval and financing

GMO IN A NUTSHELL

(What is being proposed?)

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1% Growth per year translates to:

- 45 New Housing Allocations each Year

During the next 'Housing Cycle' Starting January 1, 2017 and ending December 31, 2022

- 270 Allocations available Day One

Provides greater certainty for lenders and builders to bring new projects into the community

Dedicate a % of new Allocations to meet the stated needs of the community

Require some allocations to be used only for top housing priorities – such as middle income housing

Note: Consistent with State Law - Affordable Housing/ Secondary Dwelling Units are Exempt from GMO and therefore do not require an allocation.

GMO IN A NUTSHELL

(Comparing Old and New)

| | Current GMO |
|---------------------------------------|---|
| Approval | By public ballot measure |
| Adaptability | Fixed in Perpetuity |
| Allocations | 30 per year |
| Cycle | 3 years X 30 units = 90 units |
| How it Addresses Community Priorities | Does not - Blind to unit size, unit type or price |

GMO IN A NUTSHELL

(Comparing Old and New)

| | Current GMO | Proposed GMO |
|---------------------------------------|---|---|
| Approval | By public ballot measure | By public ballot measure |
| Adaptability | Fixed in Perpetuity | Reviewed every eight* years for effectiveness |
| Allocations | 30 per year | 45 per year this cycle |
| Cycle | 3 years X 30 units = 90 units | 6* years X 45 units = 270 units |
| How it Addresses Community Priorities | Does not - Blind to unit size, unit type or price | Creates incentives through dedicated % of allocations matched to community priorities |

* Initial review/ cycle is only 6 years due to fact we are two years into Housing Element

WHO DO WE WANT TO BE?

(Our Vision for Housing in Healdsburg)

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"In 2022, Healdsburg is a diverse, thriving, community evidenced by a wide diversity of housing – both type and price.

Individuals at different life stages and economic levels participate in active, welcoming neighborhoods, which together make up our larger community."

WHAT DO WE WANT TO ACCOMPLISH?

(The Housing Action Plan Objectives)

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Objective 1:

Increase deed-restricted Affordable Housing

Objective 2:

Develop new deed-restricted Middle Income Housing

Objective 3:

Encourage private development of secondary dwelling units (SDU's)

Objective 4:

Increase the number of 'creative density' housing options

Objective 5:

Ensure well-designed housing in all new development

Objective 6:

Build affordable housing close to existing or planned services

Objective 7:

Reduce the impact of vacant homes on neighborhoods.

WHAT WOULD SUCCESS LOOK LIKE?

(The Housing Action Plan Targets)

200

New Deed Restricted Affordable Housing Units by 2022

For local residents and employees - Increases our % of affordable housing from 8.2% to 12% of Total Stock

135

New Deed Restricted Middle Income Housing Units by 2022

For local residents and employees – further increases our % of affordable housing to 13% of Total Stock

125

Secondary Dwelling Units by 2022

Adds 50% more SDU's to the community, offering more housing options and affordable by design

25% (~68 units)

Of New Applications to reflect Creative Density unit types

Rental Apartments, Townhomes, Mixed Use, Cottage Court and Small lot products

3.31.16 WORKING DRAFT

WILL THIS WORK?

(Tonight's Panel)

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'There's a fine line
between vision...
and hallucination'

THE PANELISTS

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The Lender

Elizabeth Shepard,
Shepard Capital Group, Marin



The Homebuilder

Bob Comstock,
Comstock Development Company, Healdsburg



The Multi-Family Developer

Hugh Futrell,
Hugh Futrell Corporation, Santa Rosa



The Affordable Housing Non-Profit

Chuck Cornell,
Executive Director/ CFO, Burbank Housing, Santa Rosa



The Green, Infill Specialist

Steve Sheldon,
IBS Builds, Sebastopol

TERMS TO KNOW

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Deed-Restricted Housing (DR)

includes a restriction embedded in the property deed, commonly tied to income requirements on purchase and resale as well as need to serve as primary home. Can also provide preference for local residents and employees, and even type of employment

Affordable Housing (AH)

State defined, deed-restricted affordable housing units are for households who make 0-120% of area median income.

Middle Income Housing (MIH)

Healdsburg defined, deed-restricted affordable housing units for households making 121-160% of area median income

Inclusionary Housing (IHO)

Requirement for new market rate housing to fund, or develop, affordable housing as public benefit.. (current Healdsburg requirement = 1 affordable housing unit out of every 7 market rate units)

Allocation

The tool used by the GMO, to limit, direct, or manage growth. An allocation equals one housing unit (single family house, apartment unit, condo, etc). It does not distinguish by size or type. It is typically granted at time of final, discretionary approval, or with building permit, depending on project size.

ILLUSTRATING THE DISCUSSION

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1.5 acre infill site, in existing Healdsburg Neighborhood

Price = \$2.5 million

Zoning = 16 Units per Acre

Parking Requirements = 1.5 spaces per unit, 1 of which must be covered

Inclusionary Housing Requirement = 15% of units

City Fees = \$45,000 per unit

No environmental issues

Utilities at curb, but will require new service connections

Will require CEQA MND

Will require Planning Commission Major Design Review

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QUESTIONS?

For More Information Please Visit

<http://www.cityofhealdsburg.org/710/Housing-Needs-Priorities>

