

ADOPTION OF 2017-2022 HOUSING ACTION PLAN

City Council Meeting

July 18, 2016

Recommended Actions

Receive a presentation from Staff on the Housing Action Plan (HAP), as recommended by the Community Housing Committee, and adopt the HAP by Resolution

Background

- **2009-2014:** Central Healdsburg Avenue Plan (CHAP) identified growing demand for townhouses and multi-family units in Healdsburg and identified the GMO as a deterrent to construction of multi-family units affordable to working families
- **2013-2014:** City Council formed subcommittee to recommend amendments to GMO
 - Recommendation brought forward, approved by Council
 - After closer review Council determined the proposed revisions would not resolve emerging housing challenge, therefore amendment was not pursued
- **2014:** Housing Element Update focused community conversations on housing identifying the need for workforce housing and greater housing options as well as a unintended consequences of current Growth Management Ordinance
- **Winter 2015:** Educational series of community workshop entitled 'Housing Our Community' held to explore other housing models and solutions
- **July, 2015 - April, 2016:** Community Housing Committee (CHC) formed, discussed a range of options related to the GMO and provided final recommendation to Council
- **January-July 2016:** CHC initiated preparation of HAP as tool to shape and direct housing in Healdsburg

Housing Action Plan: Outreach Process

Extensive Public Outreach Effort Since January

16 Public Meetings & Workshops

Date	Meeting Type	Description
January 11, 2016	Community Housing Meeting	Refine Vision and Goals for the HAP
February 8, 2016	Community Housing Meeting	Created refined targets and recommendations for the HAP
February 25, 2016	Community Workshop	Community Priorities and Targets for Housing Cycle
March 14, 2016	Community Housing Meeting	Discussed HAP Objectives
March 31, 2016	Community Workshop	Developer Forum
April 28, 2016	Community Workshop	Community Workshop on the HAP
May 3, 2016	Community Housing Meeting	Discussed Intro, Approved the Vision of the HAP, Introduced Priority Recommendations and actions
May 16, 2016	City Council Meeting	Draft Housing Action Plan presentation
June 2, 2016	Community Housing Meeting	Approved Section One of the HAP, discussed and voted on the Priority Recommendations and the HAP actions/Objectives
June 8, 2016	Community Housing Meeting	Discussed and voted on the HAP Supporting Recommendations, Targets and Section Two
June 13, 2016	Community Housing Meeting	Discussed and voted on Key Performance Indicators, Community Indicators and the HAP Section Three
June 20, 2016	City Council Meeting	CC Update on the TOT Ballot Measure, IHO, and CC Growth Management Tool
June 27, 2016	Community Housing Meeting	Reviewed and discussed the HAP Section Four
June 29, 2016	Community Workshop	Open House to view the first ever Housing Action Plan
July 6, 2016	Community Housing Meeting	Discussed and voted on the HAP Section Four, and reviewed final draft HAP
July 11, 2016	Community Housing Meeting	Review and vote on final HAP

Housing Action Plan: Role

- Accompany GMO Amendment and serve as Strategic Plan to direct and shape housing for the 2017-2022 Housing Cycle
 - Implementation contingent upon successful passage of GMO Amendment
- Umbrella document that integrates existing legislative tools currently used to manage growth
 - General Plan – controls how much and what type of growth allowed
 - Housing Element - plans for existing & projected housing needs
 - Urban Growth Boundary – limits future growth area of the City
 - Land Use Code – controls type of uses allowed in Zoning Districts and development standards

Housing Action Plan: Purpose

- Sets 5 objectives for creating more affordable and diverse housing opportunities, including:
 - Deed-restricted affordable housing
 - Secondary dwelling units
 - Middle income housing
 - Rental units
 - Mixed product types
- Recommends revisions to existing legislative tools to achieve desired outcomes
 - Updating Growth Management Ordinance
 - Amending Inclusionary Housing Ordinance
 - Revising Development Standards of Land Use Code (parking, etc.)
 - Revising Secondary Dwelling Unit Ordinance
 - Updating Residential Design Guidelines
- Prioritizes actions with potential for most impact to be completed by March 2017

Housing Action Plan: Plan Components

Vision Statement

- Sets a defined direction for housing in Healdsburg
- Acts as foundation for establishing Objectives & Targets

Objectives & Targets

- Define specific results to be achieved for this Housing Cycle
- Set measurable targets to assess our progress

Recommendations

- Specific actions necessary to achieve desired housing results
 - Priority Recommendations – To be completed by March 2017
 - Supporting Recommendations – To be completed after March 2017

Implementation & Update Process

- Regular Council updates & comprehensive Report Card every 2 years

Housing Action Plan: Vision Statement

Expresses the community's desire to create a better balance of housing in our community and states:

“In 2022, Healdsburg is a diverse, thriving community evidenced by a wide variety of housing – both type and price. Individuals at all life stages and all economic levels participate in active, welcoming neighborhoods, which together make up our larger community.”

Housing Action Plan: Objectives & Targets

5 Objectives identified to achieve the Vision:

- Objective 1:** Create More Affordable Housing
2022 Target = 200 New Affordable Units
- Objective 2:** Facilitate Development of Secondary Dwelling Units (SDUs)
2022 Target = 125 Secondary Units
- Objective 3:** Develop Middle Income Housing
2022 Target = 135 New Middle Income Units
- Objective 4:** Encourage Rental Housing Units
2022 Target = 100 New Rental Units, In 4 Developments
- Objective 5:** Encourage Mixed Product Types & Creative Density
2022 Target = 50% of All New Units

**Targets are not cumulative. Multiple Targets can be fulfilled by a single project.*

Housing Action Plan: Priority Recommendations

To be Implemented by March, 2017

9 Priority Recommendations essential to achieving the Objectives of the HAP:

- PR-1** Update the Current Growth Management Ordinance
- PR-2** Implement a Transitional Growth Regulation Tool
- PR-3** Create a Long Term Funding Source for Affordable Housing
- PR-4** Expand the Definition of Affordable Housing in the Land Use Code to include Middle Income Housing
- PR-5** Revise the City's Inclusionary Housing Ordinance
- PR-6** Expand Affordable Housing Incentives
- PR-7** Update the Impact Fee Schedule and Implement a Fee Deferral Program for Deed Restricted SDUs
- PR-8** Update the Parking Regulations
- PR-9** Update the Residential Design Guidelines

Housing Action Plan: Supporting Recommendations

SUPPORTING RECOMMENDATIONS		
SR-1.1		Implement local preference clauses on all new Affordable Housing units to serve local residents and employees first
SR-1.2		Partner with third party non-profit developers experienced in leveraging local funds and tax credits to create new housing at scale
SR-1.3		Mix Income levels within individual housing developments (to the extent funding sources allow)
SR-1.4		Identify and prioritize acquisition/or partnering for Affordable Housing on vacant or underutilized sites within 1/2 mile of transit stops and daily goods and services
SR-1.5		Work with developers of sites in prime locations to increase the Affordable Housing component utilizing incentives and funding support
SR-2.1		Review successful SDU programs for lessons learned, evaluate existing Healdsburg SDU regulations, and adopt revisions needed to accelerate construction of additional units
SR-2.2		Inventory existing SDUs within City limits to confirm total number and location
SR-2.3		Create homeowner education tools that explain what SDUs are, relative costs, design factors and potential financing techniques
SR-2.4		Pursue funding sources for SDU program
SR-3.1		Require housing units built through the Inclusionary Housing Ordinance to include a component of units deed-restricted to families making between 121-160% Area Median Income
SR-3.2		Explore use of tools such as prioritized local buyer/renter offerings for non-deed restricted units
SR-3.3		Explore preparation of a nexus-based impact fee study and Housing Impact Fee Ordinance to require rental housing to contribute to Affordable Housing
SR-5.1		Create incentives that will encourage development of alternative product types consistent with community need and interest
SR-5.2		Explore modifications to the Land Use Code to encourage alternative product types

Housing Action Plan: Implementation & Update Process

Assessing progress toward achieving Objectives & Targets:

- Council Progress Reports (completed every 6 months)
 - Assessment of challenges & opportunities
 - Summary of planned projects & alignment with Targets
- Report Card (completed 2019, 2021, 2023)
 - Quantitative & qualitative assessment of progress
 - Recommendations to adjust HAP as may be needed to meet Targets
- Incorporate lessons learned into next HAP

Housing Action Plan: CHC Recommendation

- 7 months and 16 public meetings and workshops informed development of HAP
- July 11th CHC unanimously recommended (7-0) adoption of the Housing Action Plan

Recommended Actions

Receive a presentation from Staff on the Housing Action Plan (HAP), as recommended by the Community Housing Committee, and adopt the HAP by Resolution

Questions?

Proposed Council Growth Regulation Tool Allocations Relative to HAP Targets

	Available Market Rate Allocations ¹								
	Proposed GMO ³	Notes							
Single Family Conventional ²	80								
Single Family Higher Density	100								
Multi Family	240	(Includes 100 rental units [HAP Obj. 4] & 87 Middle Income Units [Portion HAP Obj. 3])							
	420								
Inclusionary Housing	96	(Not including 100 rental units; Includes 48 Middle Income Units [Portion HAP Obj. 3])							
	516								
¹ Does not include Affordable Housing (200 units - HAP Obj. 1), SDUs (125 units - HAP Obj. 2) which yield same units regardless of GMO									
² Does not include Saggio Hills (35 units existing DA) which yield same units regardless of GMO									
³ Final Split on Single Family Allocations to be Determined									

Current GMO vs. Proposed Council Growth Tool

	Available Market Rate Allocations ¹		Notes							
	Current GMO	Proposed GMO ³								
Single Family Conventional ²	145	80								
Single Family Higher Density	0	100								
Multi Family	0	240	(Includes 100 rental units [HAP Obj. 4] & 87 Middle Income Units [Portion HAP Obj. 3])							
	145	420								
Inclusionary Housing	22	96	(Not including 100 rental units; Includes 48 Middle Income Units [Portion HAP Obj. 3])							
	167	516								
Difference Over 6 Years	349									
Average Per Year	58									
¹ Does not include Affordable Housing (200 units - HAP Obj. 1), SDUs (125 units - HAP Obj. 2) which yield same units regardless of GMO)										
² Does not include Saggio Hills (35 units existing DA) which yield same units regardless of GMO)										
³ Final Split on Single Family Allocations to be Determined										