Workshop Agenda

• Introductions (5 minutes)
• Presentation (35 minutes)
  1. Housing Element Overview
  2. Summary of Community Workshop #1
  3. Draft Housing Element
  4. Regional Housing Needs Allocation
• Questions and Answers (15 minutes)
• Workshop Exercise (60 minutes)
• Wrap-up (5 minutes)
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 31, 2015
- Review by California Department of Housing and Community Development (HCD) for compliance with State law
### Housing Element Update Process

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Schedule</th>
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<tbody>
<tr>
<td>Community Workshop #1</td>
<td>May 6, 2014</td>
</tr>
<tr>
<td>Public Review Draft Housing Element</td>
<td>June 20, 2014</td>
</tr>
<tr>
<td>Community Workshop #2</td>
<td>July 9, 2014</td>
</tr>
<tr>
<td>Planning Commission/City Council Study Session</td>
<td>August 4, 2014</td>
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<tr>
<td>Submit to HCD</td>
<td>August 2014</td>
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<tr>
<td>Public Hearing Draft Housing Element</td>
<td>October 2014</td>
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<tr>
<td>Environmental Review</td>
<td>October-November 2014</td>
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<tr>
<td>City Council Adoption Hearing</td>
<td>December 2014</td>
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Community Workshop #1
Community Workshop #1

Workshop Summary

- May 6, 2014 from 6-8 pm (Annex at Villa Chanticleer)
- Over 30 attendees
- Major Issues Identified
  1. Need for more workforce housing
  2. Shortage of rental units
  3. Impact of second homes and vacation rentals
  4. Lack of diversity in housing types
  5. Unintended consequences of Growth Management Ordinance
Affordability Gap

2014 Median Home Sale Price: * $515,000

$600,000

Median Income family earning $76,900 can afford $310,000

$500,000

Low Income family earning $54,000 can afford $215,000

$400,000

$300,000

Very Low Income family earning $39,000 can afford $150,000

$200,000

$100,000

A family of three would need to have an income equal to over 145 percent of the median income ($110,000)

*Source: Dataquick, 2014
Shortage of Rental Units

The renter population is increasing...

But the rental market is not keeping up...

Lack of available rentals
- Only 14 listings in April/May 2014
- Almost all single family homes
- 2010 rental vacancy rate of 4%

High rental rates
- $2,185 - average rent for listings
- $1,538 - affordable rent for a median income 2-person household earning $61,500

No new market rate multifamily
- Since 2008, the only multifamily built have been deed-restricted affordable housing for lower-income residents
Impact of Vacation Rentals

• What’s the issue?
  – Reduce long-term rental supply
  – Impact on character of neighborhoods (ghost blocks)

• What does the City do?
  – Short-term vacation rentals (less than 30 days) are prohibited in the city
  – The City enforces vacation rental regulations, but is complaint-based and therefore does not actively monitor rentals
  – In April 2014, the City increased the fine to $1,000 per day for illegal vacation rentals

• Several residents who attended the Housing Element workshop pointed to the need for more aggressive enforcement of the existing regulations.
## Lack of Diverse Housing Types

### Housing Unit Types
City of Healdsburg and Sonoma County, 2014

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Healdsburg</th>
<th>Sonoma County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Single family</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detached</td>
<td>3,653</td>
<td>75%</td>
</tr>
<tr>
<td>Single family</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attached</td>
<td>205</td>
<td>4%</td>
</tr>
<tr>
<td>2-4 Units</td>
<td>490</td>
<td>10%</td>
</tr>
<tr>
<td>5+ Units</td>
<td>486</td>
<td>10%</td>
</tr>
<tr>
<td>Mobile Homes</td>
<td>70</td>
<td>1%</td>
</tr>
<tr>
<td>Total</td>
<td>4,904</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: State Department of Finance, Table E-5, January 1, 2014*
More Diverse Housing Examples

Green Courts
Suited for empty nesters, starter families and single parents

Co-Housing
Suited for single parents, young families, essential community workers

Carriage Units
Suited for essential community workers, artists in residence, etc.

Cottage Court
Suited for empty nesters, and single parents

Townhomes
Suited for starter families, young professionals, empty nesters
Growth Management Ordinance

• **Measure M Growth Management Ordinance (2000)**
  – Allocations limited to average of 30 per year
  – Affordable units and secondary dwelling units are exempt
  – Large projects phased over multiple years

• **November 2014 Ballot Measure**
  – Would supersede Growth Management Ordinance for 15 years
  – One-time bank of 60 allocations
  – 30 allocations added annually
  – No more than 70 allocations in any one year period
  – No more than 226 allocations total within the Central Healdsburg Avenue Plan Area
Draft Housing Element
1. Introduction
2. Community Context and Population Trends
3. Existing Housing Needs
4. Projected Housing Needs
5. Housing Development Constraints
6. Housing Opportunities and Resources
7. Opportunities for Energy Conservation
8. Housing Plan
Goal H-A: Accommodation of Housing Development
Goal H-B: Minimization of Governmental Constraints
Goal H-C: Provision of Affordable Housing
Goal H-D: Preservation of Existing Housing and Neighborhoods
Goal H-E: Provision of Special Needs Housing
Goal H-F: Promotion of Fair Housing Practices
Goal H-G: Conservation of Energy
Housing Plan – Terminology

• **Goal**
  – A general, overall, and ultimate purpose, aim, or end toward which effort will be directed

• **Policy**
  – A statement that guides a specific course of action for decision-makers to achieve a goal

• **Program**
  – Specific action that carries out policy

**Examples**

**Goal H-C:** Facilitate the provision of affordable housing for those who live and work in Healdsburg.

**Policy H-C-4:** Support the efforts of partners in local affordable housing projects to secure financial assistance.

**Program H-7: Pursue Funding.** Apply for regional, State, and Federal funding for affordable housing and provide documentation as needed in support of partner applications for State and Federal financial assistance.
Housing Element Overview

Need for More Workforce Housing

New Policy

H-C-10 Support the Community Land Trust model of providing affordable homeownership for the local workforce.

New Programs

Program H-12: Workforce Housing Linkage Fee
Conduct a jobs/housing nexus study to analyze and document the link between non-residential development and the housing demand that it creates. ...Based on the findings of the study, the City shall adopt an appropriate Workforce Housing Linkage Fee.

Program H-13: Affordable Secondary Dwelling Unit Incentive Program
Develop an affordable secondary dwelling unit incentive program to encourage property owners to deed restrict secondary dwelling units as affordable rental housing for lower- or moderate-income households...
New Policy
Policy H-D-6  Discourage the conversion of multifamily rental units to condominium units in order to preserve the supply of rental housing in the city.

Existing Program
Program H-20: Strengthen the Condominium Conversion Ordinance
Review and revise the condominium conversion ordinances with the intent of discouraging conversion of rental units to condominiums and strengthening the tenant protection provisions....

New Program
Program H-2: Implement the Central Healdsburg Avenue Plan
Amend the General Plan and Zoning Ordinance to incorporate the Mixed Use, Transit Residential, and Medium Density Residential land use designations envisioned in the Central Healdsburg Avenue Plan.
Housing Element Overview

Impact of Vacation Homes

**Existing Policy**
Policy H-D-7  Protect residential neighborhoods from the negative effects of commercial uses.

**Existing Program**
Program H-24 Enforce Vacation Rental Prohibition
Strengthen enforcement of the City’s prohibition of vacation home rentals (i.e., fewer than 30 days) in residential zoning districts in order to protect neighborhood character and ensure the housing stock is available for long-term residents.
Housing Element Overview

Diversity of Housing Types

**Existing Policies**

Policy H-A-4

Provide a wide range of housing opportunities for all economic segments of the community, while maintaining a mix of housing types in Healdsburg.


Ensure that specific plans allow the development of a range of housing types, to the extent feasible.

**Existing Program**

**Program H-1: Adequate Residential Land**

Monitor the supply of residential land to ensure that sufficient developable land is planned and zoned for single family and multifamily residential development.

**New Program**

**Program H-2: Implement the Central Healdsburg Avenue Plan**

Amend the General Plan and Zoning Ordinance to incorporate the Mixed Use, Transit Residential, and Medium Density Residential land use designations envisioned in the Central Healdsburg Avenue Plan.
Housing Element Overview

Growth Management Ordinance

Existing Policy
Policy H-B-2  Lessen the City’s Growth Management Program as a constraint on the development of multifamily and live/work housing, as feasible.  
(Source: 2009 Housing Element, Policy H-B-2)

New Programs
Program H-5: Monitor and Amend the Growth Management Ordinance (GMO)
Continue to monitor the impacts of the GMO on the provision of housing to meet the city’s share of the regional housing need and provide for a variety of housing types. Consider further amendments to the GMO in order to facilitate the production of multifamily and/or live work units.
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

Healdsburg 157
Cotati 137
Cloverdale 211
Petaluma 745
Windsor 440
Santa Rosa 4,662
Sebastopol 120
Sonoma 137
Unincorporated 936
Rohnert Park 899
# Regional Housing Needs Allocation

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

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

2014 Area **Median Income** for Sonoma County jurisdictions is **$76,900**
Housing Types and Affordability

Housing Element basic assumption: Density = Affordability

Above Moderate Income
- Large-lot single family home
- Townhome

Moderate Income
- Accessory dwelling
- Duplex

Lower Income (20 units/acre)
- Mobile home
- Multifamily housing

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?

<table>
<thead>
<tr>
<th></th>
<th>Extremely Low Income</th>
<th>Very Low Income</th>
<th>Low Income</th>
<th>Moderate Income</th>
<th>Above Moderate Income</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-2022 Regional Housing Need</td>
<td>15</td>
<td>16</td>
<td>24</td>
<td>26</td>
<td>76</td>
<td>157</td>
</tr>
<tr>
<td>Total “Lower” Income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>55 units</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Capacity</td>
<td>156</td>
<td></td>
<td></td>
<td>2</td>
<td>326</td>
<td>483</td>
</tr>
<tr>
<td>Surplus/(Deficit) of Housing Units</td>
<td>+101</td>
<td></td>
<td></td>
<td>(24)</td>
<td>+250</td>
<td>+327</td>
</tr>
</tbody>
</table>

**Finding:** The City has enough capacity on residential land to accommodate the 8-year projection of need (i.e., the RHNA).
Questions?
Workshop Exercise
Workshop Exercise

• **Purpose:** To solicit feedback from the community on the Draft 2015-2023 Housing Plan

• **Format:**
  – Eight (8) stations around the room:
    1. Goal H-A: Accommodation of Housing Development
    2. Goal H-B: Minimization of Governmental Constraints
    3. Goal H-C: Provision of Affordable Housing
    4. Goal H-D: Preservation of Existing Housing and Neighborhoods
    5. Goal H-E: Provision of Special Needs Housing
    6. Goal H-F: Promotion of Fair Housing Practices
    8. Regional Housing Needs Allocation and Residential Sites Inventory
  – Visit the stations at your own pace and provide feedback
Workshop Exercise

1. **Start by reviewing the Draft Housing Plan**
   - Copies are available at the sign-in table, or
   - Policies and programs are listed on the boards

2. **Place dots next to the policies and programs**
   - Green dots = I support this policy/program
   - Red dots = I do not support this policy/program
   - Yellow dots = I would support this policy/program with modifications

3. **Fill out white comment cards**
   - Identify policy/program number
   - Describe:
     - Why you support it
     - Why you don’t support it
     - What you would change

4. **Fill out blue comment cards** to suggest new policies or programs