



The County of San Diego

Planning Commission Hearing Report

Date:	March 1, 2013	Case/File No.:	Housing Element Update; GPA 12-009; 3000 12-009
Place:	County Conference Center 5520 Overland Avenue San Diego, CA 92123	Project:	General Plan Housing Element Update
Time:	9:00 am	Location:	Countywide
Agenda Item:	#2	General Plan:	Various
Appeal Status:	The Board of Supervisors is the final decision-maker	Zoning:	N/A
Applicant/Owner:	County of San Diego	Community:	Countywide
Environmental:	Notice of Exemption	APN'S:	Various

A. EXECUTIVE SUMMARY

1. Requested Actions

This is a request for the Planning Commission to evaluate the proposed project and make recommendations to the Board of Supervisors. The project is an update to the County's Housing Element, required by state law, to ensure that adequate capacity to meet the housing needs of lower and moderate income households is available and that sites have been identified to accommodate the County's Regional Housing Needs Assessment (RHNA) for each income level. Because the Housing Element was comprehensively updated as part of the 2011 General Plan Update, there are very few changes required under this update.

If the required findings can be made, the Planning Commission should take the following actions:

- a. Find that it has reviewed and considered the information contained in the Final Program Environmental Impact Report, dated August 3, 2011 on file with Planning & Development Services (PDS) as Environmental Review Number 02-ZA-001, and the addendum thereto, dated February 8, 2013 on file with PDS as GPA 12-009, prior to making its recommendation on the project.
- b. Recommend that the Board of Supervisors adopt the Resolution (Attachment A) to update the County of San Diego Housing Element.

2. Required Findings to Support Requested Actions

- a. Is the proposed project in compliance with the California Government Code? (Pages 2-4)
- b. Does the project comply with the policies set forth under the General Plan and community plans? (Pages 5-7)
- c. Does the project comply with the California Environmental Quality Act (CEQA)? (Page 7-8)

B. PROPOSAL

1. Background

The provision of affordable housing in the San Diego area has been a challenge during both economic boom and bust years. During economic growth cycles, high demand for housing often pushes housing prices out of reach for low and moderate income households. During the current economic recession (precipitated by the housing and finance bubble), housing prices have dropped, but lack of jobs and the tightening credit market have equally denied these households adequate housing opportunities. In addition, housing prices have historically trended upwards and are expected to increase again when the economy recovers. Tax increment financing, where 20% of the redevelopment funds were required to be set aside for affordable housing, was a key source of affordable housing program funds. However AB 26 dissolved redevelopment agencies and the State appropriated those funds for state programs.

Government Code Section 65583 states that the Housing Element for each jurisdiction consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, programs, strategies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement and development of housing. The Housing Element must identify adequate sites for housing, including rental housing, factory-built housing and mobile homes, and make adequate provisions for the existing and projected needs of all economic segments of the community. The Housing Element is required to be adopted 18 months following the adoption of the Regional Transportation Plan by the San Diego Association of Governments. For the County, state law requires that our Housing Element be updated by April 30, 2013.

2. Project Scope

The current Housing Element was last adopted on August 3, 2011 and approved by the State Department of Housing and Community Development in November 2011 as part of the comprehensive General Plan Update (GPU). Given the recent adoption of the GPU, only minor changes are necessary to comply with state law. A summary of the changes is provided below:

a. Housing Element Goals and Policies

The proposed revisions to the Goals and Policies document include minor changes to the existing background text to reflect current Regional Housing Needs Assessment (RHNA) requirements. No changes are proposed to the actual goals and policies except to correct a typographical error. Attachment B includes the revisions to the Goals and Policies document in track changes, along with a summary of changes to the document.

b. Housing Element Background Report

The Background Report is provided as Attachment C. The primary components of the Background Report are identified below.

i. Census Data

The existing Background Report contains data from the 2000 Census. In this revision to the Housing Element, the entire Background Report has been revised to incorporate current data, including the 2010 Census. This updated data was then analyzed to determine future housing needs.

ii. Regional Housing Needs Assessment

State Housing Element law requires that a local jurisdiction accommodate a share of the region's projected housing needs for the planning period. This share, called the RHNA,

is important because state law mandates that jurisdictions provide sufficient land to accommodate a variety of housing opportunities for all economic segments of the community.

The San Diego Association of Governments (SANDAG), as the regional planning agency, is responsible for allocating the regional housing needs to individual jurisdictions. After determining the region's housing needs number through consultation with the California Department of Housing and Community Development (HCD), SANDAG utilized the forecasted pattern of development from its 2050 Regional Growth Forecast which distributes housing and employment growth at a jurisdictional level.

The RHNA for this update forecasts future housing needs for the projection period of 2010 through 2020, a total of eleven years. The RHNA is broken down according to the following income categories: very low, low, moderate and above moderate households. For the 2010-2020 projection period the County of San Diego is allocated a RHNA of 22,412 residential units as follows:

- Very Low-Income (50 percent or less of AMI): 9.3 percent (2,085 units),
- Low-Income (51 to 80 percent of AMI): 7.1 percent (1,585 units),
- Moderate-Income (81 to 120 percent of AMI): 26.2 percent (5,864 units), and
- Above Moderate-Income (more than 120 percent of AMI): 57.4 percent (12,878 units)

iii. Sites Inventory

The General Plan land use map has sufficient capacity to accommodate over 64,000 future dwelling units so its RHNA requirement for Above Moderate Income housing is satisfied. The Sites Inventory presented in this Housing Element focuses on the identification of sites that provide the opportunity for the development of Very Low, Low, and Moderate Income housing requirements.

The Sites Inventory is based on the current General Plan land use map and documents the availability of residential sites at adequate densities to accommodate the RHNA. It lists vacant or underutilized properties with density designations that provide the opportunity to build affordable housing. Housing Element law equates higher density with more affordable homes. Thus, properties with density designations such as 24 or more units per acre present a better opportunity to build housing affordable to lower income households than does a property with a density of 7.3 units per acre.

In compiling an inventory of vacant and underutilized sites, the County used GIS to identify parcels with General Plan residential designations that support multi-family development (10.9 to 30 units per acre). Each identified site was then evaluated to determine its suitability for development, using aerial photographs and parcel-specific constraints data. Sites included in the inventory have minimal environmental constraints and are suitable for multi-family development within the Housing Element planning period. In addition, underutilized sites were reviewed to ascertain the likelihood of redevelopment within the planning period. Only sites that met at least two of the following three criteria were included:

- The assessed value of the land is greater than the assessed value of the improvements.
- The primary structure was built at least 30 years ago.

-
- The residential density allowed on the property is at least three times greater than the currently existing number of residences.

The inventory is organized by community with the list of available sites followed by maps that identify the density of each site, aerial views, environmental constraints, and sensitive habitat. The Sites Inventory is included as Appendix H1 of the Housing Element Background Report. The Sites Inventory by community is provided as Attachment C.

iv. Housing Program Accomplishments

Table 6-1 of the Background Report documents the County of San Diego's achievements under the previous revision of the Housing Element. The previous cycle planning period began on July 1, 2005 so Table 6-1 evaluates the County's accomplishments from that date through December 31, 2011. Table 6-1, which starts on page H1-103 of the Background Report is provided as Attachment C.

c. Housing Element Implementation Plan

The General Plan goals and policies are carried out through an Implementation Plan which consists of implementation measures/programs. The Housing Element action programs are included as Section 3 of the General Plan Implementation Plan. The Housing Element differs from the other General Plan elements in that many of the programs which implement the Housing Element are required by State housing law. They address affordable and special needs housing, financial assistance, and the reduction of government constraints related to affordable housing. In addition to required programs, implementation of the Element also includes long-range programs to guide development planning beyond the horizon of the current housing cycle.

The County's Housing and Community Development Department (County HCD) is a major partner in providing programs that promote and assist affordable housing. County HCD provides financial assistance for subsidized housing developments in the unincorporated County, as well as some incorporated cities, and has been an active participant in the preparation of this Housing Element update.

Staff reviewed the achievements of each program during the last cycle and determined that only minimal revisions to the listed programs are needed. The most significant change includes revisions to those programs that lack state funding. Recommended changes to the Housing Element Implementation Plan are provided as Attachment D.

C. ANALYSIS AND DISCUSSION

1. Project Issues

This project does not have significant issues; however, the following are worth noting:

- a. Required State HCD Approval — This is the only General Plan regional element that is required by state law to be updated according to a specific schedule. It must include specific information and analyses and is subject to review by State HCD (Government Code Sections 65580 – 65589.8). If the County fails to adopt a Housing Element update within 120 days of the April 30, 2013 deadline, then the next update will be required in four, rather than eight years. Furthermore, without an adopted Housing Element, the County's General Plan may be subject to legal challenges.
- b. Additional residential units due to longer planning period — The Sites Inventory has identified a sufficient number of sites to meet the County's RHNA goals. However, because this planning period is longer than the previous one, 2,841 sites had to be added to those identified in the

previous Sites Inventory adopted in 2011. Based on our analysis, staff identified enough sites to meet the County's RHNA without any land use map revisions. Densities on the map were not increased or decreased.

While the Background Report includes analysis and justification that support our findings, the inventory is subject to review and approval from State HCD. The inventory identifies a sufficient number of sites to meet state housing forecasts but there is very little excess. If State HCD determines that inclusion of some sites is not consistent with state law, additional sites will be necessary. The County will have three years to revise the Land Use Map to designate a sufficient number of parcels at an increased density to satisfy RHNA requirements.

2. General Plan Consistency

The proposed project is based on the General Plan Land Use Map adopted in August 2011, and is consistent with the General Plan Land Use Map because changes to the Map are not being proposed. Also, the proposed project is consistent with the following text on page 6-10 of the adopted Housing Element:

“When this Housing Element is updated for the next housing cycle, the County will evaluate the policies and programs for internal consistency with the rest of the General Plan. Conversely, as other elements (particularly the Land Use Element) are amended, the County is required by State law (Government Code Section 65863) to make findings that such amendments will not impede the County from meeting its housing needs.”

Finally, the primary changes proposed for this project are the new residential sites added to the Sites Inventory. The Land Use policies identified in Table C-1 are intended to facilitate the development of villages and village cores, which is where most of the housing identified in the Sites Inventory is located.

Table C-1: General Plan Conformance

General Plan Component	Explanation of Project Conformance
1) POLICY LU-9.1 – Village and Community Core Planning	This policy encourages more detailed planning in villages and village cores to facilitate development in these areas. The Housing Element is consistent with this policy because a primary goal is to remove impediments to housing.
2) POLICY LU-9.4 – Infrastructure Serving Villages and Community Cores	This policy encourages prioritizing infrastructure improvements for villages and community cores. This will also remove impediments to constructing housing, particularly housing on sites included in the Housing Element Sites Inventory.
3) POLICY LU-9.12 – Achieving Planned Densities in Villages	This policy encourages future residential development to achieve planned densities in villages, which is consistent with the Housing Element's primary objective to facilitate the provision of housing resources for all income levels.

3. Community Plan Consistency

The Alpine, Central Mountain, Julian, and Mountain Empire, Spring Valley, Sweetwater and Valle de Oro are the only community and subregional plans that contain housing sections. With the exception of

Spring Valley, all of these community plans encourage a range of housing types that are compatible with their community character. The Spring Valley Community Plan includes a policy that discourages subsidized housing. These are discussed further in the table below.

Table C-2: Community Plan Conformance

Spring Valley Community Plan Component	Explanation of Project Conformance
1) POLICY LU-2.1.1 – Discourage the expenditure of funds collected by or granted to the County of San Diego from creating additional deed restricted affordable housing, until such time that densities of subsidized affordable housing are equitable between the remaining communities within the County Water Authority Boundary, and excluding age restricted senior housing.	The Sites Inventory identifies 116 parcels that could support a total of 4,830 low and very low income units. The parcels are located in nine community planning areas. Out of this total, Spring Valley has 4 sites (3 percent) for a total of 17 units (0.4 percent). The remaining 97 percent of sites and 99.6 percent of units are spread out throughout the other eight communities. Subsidized housing supports low and very low income households and is typically developed in communities where residents demonstrate this need. However most available sites with densities high enough to support this type of development occur outside of Spring Valley and are more equitably distributed. In addition, the Housing Element does not require the development of subsidized affordable housing.

4. Zoning Consistency

The proposed project does not propose any zoning changes. The Sites Inventory is based on current zoning; therefore, is consistent with current zoning.

5. California Environmental Quality Act (CEQA) Compliance

The project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and the project qualifies for an Addendum to the General Plan Update Environmental Impact Report (EIR) under CEQA section 15164. An EIR Addendum dated February 8, 2013 has been prepared for the project and is on file with Planning & Development Services. There are no changes in the project, no changes in the circumstances under which the project is undertaken, or no new information which results in a new significant environmental effect or a substantial increase in the severity of a previously identified significant environmental effect since the certification of the previous Environmental Impact Report for the project dated August 3, 2011, on file with PDS as Environmental Review Number 02-ZA-001. See the EIR Addendum for more information (Attachment E).

D. PUBLIC INPUT

The primary public outreach for this Housing Element Update is coordinated through the 26 community planning and sponsor groups (CPG/CSG) that provide input and recommendations to County staff, Planning Commission and Board of Supervisors. Therefore, each CPG and CSG was initially contacted and provided an explanation of the purpose and scope of this most recent Housing Element update. After the initial notification, each CPG/CSG was provided the proposed changes to the Housing Element Update and was also offered the opportunity to discuss questions or concerns with staff. In addition, seven planning groups requested that staff attend a meeting and provide information on the specific sites identified in the Sites Inventory for their community (Alpine, Bonsall, Fallbrook, Lakeside, Ramona, Spring Valley and Valley Center).

County staff also contacted all interested stakeholders who submitted comments on the Housing Element during the General Plan Update or asked to be included in public outreach for the Housing Element, such as affordable housing advocates, advocates for farmworker housing and the San Diego Housing Federation. The project was presented at two publically noticed hearings: the County Planning Commission and Board of Supervisors, where it was finally adopted.

E. RECOMMENDATIONS

Staff recommends that the Planning Commission:

1. Find that it has reviewed and considered the information contained in the Final Program Environmental Impact Report, dated August 3, 2011 on file with Planning & Development Services (PDS) as Environmental Review Number 02-ZA-001, and the addendum thereto, dated February 8, 2013 on file with PDS as GPA 12-009, prior to making its recommendation on the project.
2. Recommend that the Board of Supervisors adopt the Resolution (Attachment A) to update the County of San Diego Housing Element

Report Prepared By:

Dixie Switzer, Project Manager
858-694-3041
dixie.switzer@sdcounty.ca.gov

Report Approved By:

Mark Wardlaw, Director
858-694-2926
mark.wardlaw@sdcounty.ca.gov

AUTHORIZED REPRESENTATIVE:



MARK WARDLAW, DIRECTOR

ATTACHMENTS:

- Attachment A – Resolution of the San Diego County Board of Supervisors Adopting General Plan Amendment GPA 12-009, Housing Element Update [Fifth Revision]
- Attachment B – Revisions to Goals & Policies Document and Summary of Changes
- Attachment C – Background Report and Sites Inventory
- Attachment D – Implementation Plan Revisions
- Attachment E – Environmental Documentation