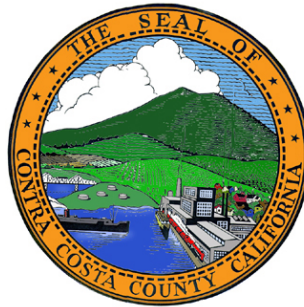


2014 Housing Element Update

Municipal Advisory Council Meeting



Contra Costa County
Department of
Conservation and Development

Overview

- ❑ State Housing Element Law
- ❑ Housing Element Contents
- ❑ Regional Housing Need Allocation (RHNA) Process
- ❑ Key Facts, Issues, and Trends To Consider
- ❑ Housing Element (2015-2023) Update Focus
- ❑ Other GP Elements under review
- ❑ Schedule
- ❑ Consequences if Housing Element Not Updated
- ❑ MAC Questions to Consider
- ❑ Staying Informed / Staff Contacts

State Housing Element Law

- ❑ Since 1969, one of seven mandatory elements of the General Plan.
- ❑ An update of the Housing Element now every eight years (Per SB 375).
- ❑ A plan to meet the existing and projected housing needs of all economic segments of the community.
- ❑ Local governments to adopt land use plans and regulations which provide opportunities for, and do not unduly constrain, housing development.
- ❑ Required review by CA Dept. of Housing & Community Development (HCD) for compliance with State law.
- ❑ Contents of Housing Element proscribed under State law.

Housing Element Contents

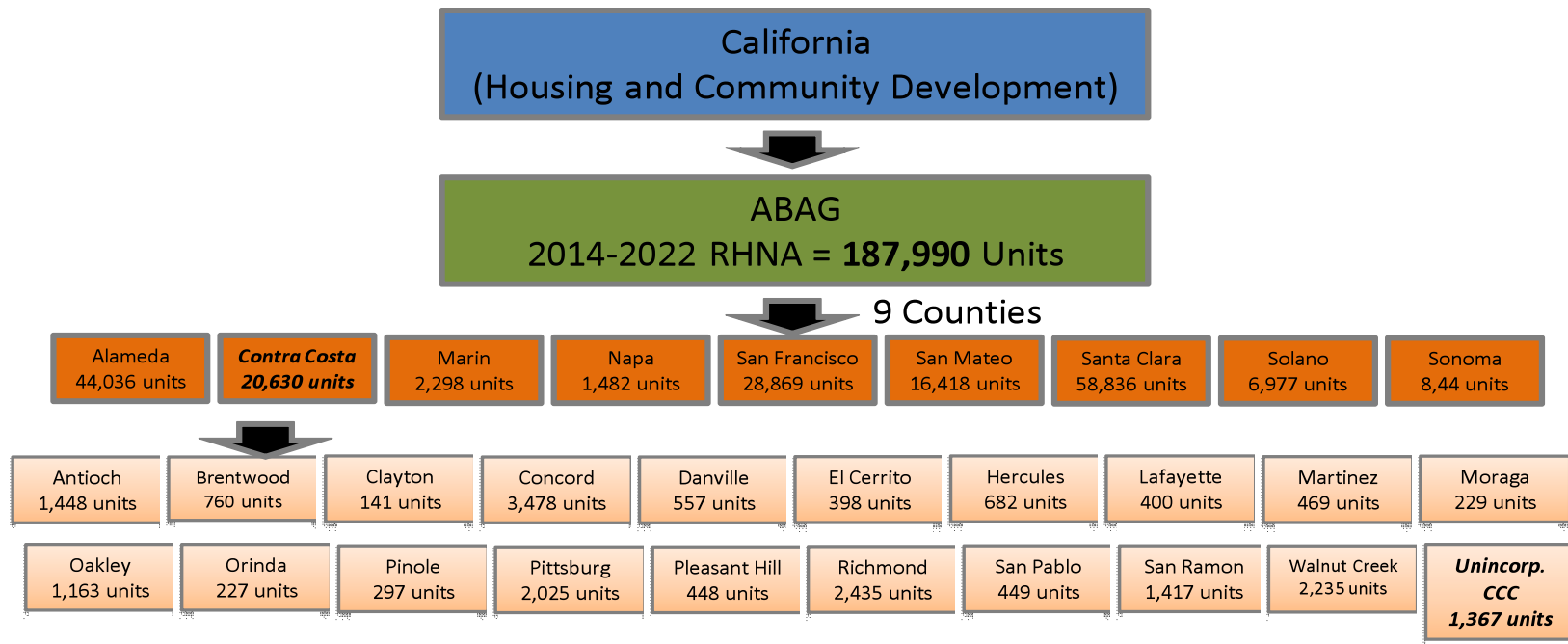
Pursuant to law, Housing Element must contain the following:

- ✓ Demographic Profile
- ✓ Housing Needs Assessment
 - Existing Need
 - Special Housing Needs
 - Projected Needs
- ✓ Residential Sites Inventory and Analysis
- ✓ Analysis of Constraints on Housing
 - Governmental
 - Non-Governmental

Housing Element Contents (continued)

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

Regional Housing Need Allocation (RHNA) Process



Contra Costa County RHNA by Income Category Per Planning Period (Unincorporated Area)

| Income Category | HE Planning Period 2001-2006 | HE Planning Period 2007-2014 | HE Planning Period 2015-2023 |
|---|---------------------------------|---------------------------------|---------------------------------|
| Very Low (< 50% of AMI) | 1,101 | 815 | 374 |
| Low (51-80% of AMI) | 642 | 598 | 218 |
| Moderate (81-120% of AMI) | 1,401 | 687 | 243 |
| Above Moderate (> 120% of AMI) | 2,292 | 1,408 | 532 |
| TOTAL | 5,436 | 3,508 | 1,367 |

AMI = Area Median Income

Contra Costa County RHNA Progress

2007-2014 Housing Element (as of Dec. 2013)

| Income Level | RHNA Allocation by Income Level | Total Units to Date (Bldg. Permits) | Total Remaining RHNA by Income Level |
|--|---------------------------------|--|--------------------------------------|
| Very Low | 815 | 88 | 727 |
| Low | 598 | 53 | 545 |
| Moderate | 687 | 330 | 357 |
| Above Moderate | 1,408 | 1,647 | -264 |
| Total RHNA: | 3,508 | | |
| Total permits issued | | 2,143 | |
| Add'l Units Through Gen. Plan Amendments | | 312 SFR | |
| Grand Total | | 2,143 (61%) | |
| Remaining Need for RHNA Period | | | 1,365 |

Housing Element (2015-2023) Update

Focus on:

- 2010 Census, ABAG pre-approved data package, and other current data sources
- New information on the current housing market
- Evaluating implementation of 2009-2014 Housing Element
- Removing programs that have been implemented or discontinued (e.g. Redevelopment Agency programs)
- Exploring new housing programs to address local needs and priorities
- Pursuing HCD streamlined review based on certified 2009-2014 Housing Element

Other GP Elements to be reviewed

Housing Element Update will trigger review of other General Plan elements per State law :

Safety Element

- Update flood hazard maps and policies to reflect 200-Yr. event, instead 100-Yr. (AB 162/SB 5)
- Update fire hazard map and policies to reflect new mapping by Cal Fire of State Responsibility Area and Very High Fire Hazard Severity Areas (SB 1241)

Land Use Element

- Identify disadvantaged unincorporated communities (DUICs), analyze water, wastewater, stormwater drainage, and structural fire protection needs of DUICs, identify gaps in services/facilities, and identify potential funding to extend services/facilities to DUICs (SB 244)

Key Facts: Ability to Pay (2014)

Contra Costa County Median Household Income*: \$93,500

| HH Income by Category | Monthly Rent | Max. Purchase Price |
|--|----------------|---------------------|
| Extremely Low Income HH (30% of Median Income): <u>\$28,050</u> | \$690 | \$ 61,580 |
| Very Low Income HH (50% of Median Income): <u>\$46,750</u> | \$1,115 | \$139,370 |
| Low Income HH (80% of Median Income): <u>\$66,250</u> ** | \$1,403 | \$290,057 |
| Moderate Income HH (120% of Median Income): <u>\$112,200</u> | \$2,805 | \$349,016 |

* HCD State Income Limits, 2014, assumes a 4-person household and a 3-bedroom unit

** U.S. Dept. of Housing and Urban Development (HUD)

Key Facts: Contra Costa County Households (HH) Profile

| Households | Unincorporated Area | Countywide |
|--------------------------------------|---------------------|-------------------|
| Total Occupied Units (HH) | 55,010 | 368,085 |
| Total Renter HH | 14,980 (26%) | 112,420 (30.5%) |
| Total Owner HH | 43,040 (74%) | 255,805 (69.%) |
| Renter HH Characteristics | | |
| Total Renter HH | 14,980 | 112,420 |
| Moderate or Above Income HH Renter | 6,441 (43%) | 46,675 (41.5%) |
| Lower Income HH Renter | 8,540 (57%) | 65,675 (58.5%) |
| Owner HH Characteristics | | |
| Total Owner HH | 43,030 | 255,805 |
| Moderate or Above Income Owner HH | 32,440 (75%) | 194,060 (76%) |
| Lower Income Owner HH | 10,590 (25%) | 61, 745 (24%) |

Source: U.S. HUD, CHAS Data Set based on American Community Survey 2006-2010¹²

Key Trends To Consider

- Demographic Trends Influencing the Housing Market
 - “Silver Tsunami”
 - Millennial Generation
- Steady Housing Market Recovery
 - Above moderate housing market has recovered, but market aimed at moderate to low income HH is lagging behind
- The Bay Area’s “Workforce Housing” Challenge
 - Large segment of workforce is priced out of housing market

Schedule

| Activity | Timeline |
|--|-------------|
| <p>DCD initiates work on HE Update, including:</p> <ul style="list-style-type: none"> • Demographic Update • Needs Assessment • Sites Inventory & Analysis • Constraints Analysis • Review Housing Goals, Policies, & Programs • New Quantified Objectives • Preparation of revised HE Text • Public Outreach & Community Participation • CEQA Environmental Review | Spring 2014 |
| <p>County Planning Commission (CPC) Study Session #1: Informational; input and guidance to staff on HE Update Process</p> | March 2014 |
| <p>CPC Study Session #2: Review 1st Draft HE for submittal to HCD for 60-day review</p> | July 2014 |

Schedule (continued)

| Activity | Timeline |
|---|--------------------------------|
| <p>CPC Public Hearing #1: review HCD comments on 1st Draft, consider staff recommended revisions, and approve 2nd Draft HE-Revised for another HCD 60-day review.</p> <p>Issue CEQA Environmental Review: IS/Neg. Dec.</p> | Fall 2014 |
| <p>CPC Public Hearing #2: review and consider HCD comments on 2nd Draft HE-Revised, consider staff recommendations, and forward recommendation to Board on Final HE</p> | Fall 2014 |
| <p>Board of Supervisors Public Hearing: Hearing on Final HE, as recommended by CPC; Board adopts Neg. Dec. and Final HE</p> | Fall 2014 / Winter 2015 |
| <p>Submit Board Adopted (Final) Housing Element to HCD for certification</p> <p>(State law: HE adoption must be no later than 120 days from 1/31/2015; HCD has 90 days to issue letter certifying compliance)</p> | Due by January 31, 2015 |

Consequences

Housing Element Not Updated

- County would become ineligible to receive ***Measure J Contra Costa Co. ½ Cent Transportation Sales Tax, Local Street Maintenance and Improvement Funds*** (“Return To Source”); County receives approx. \$2 million annually in Measure J “Return To Source” Funds used for maintaining and improving roadways countywide
- County would become ineligible to receive certain State transportation and infrastructure funding grants
- County would be vulnerable to lawsuits from developers and housing advocates for not complying with State Housing Element Law
- County would be required to carryover unfilled RHNA to the next Housing Element planning period

MAC Questions To Consider

- Does the MAC have any comments and/or questions regarding the key issues or focus of 2015-2023 Housing Element Update identified by staff?
- Does the MAC believe other issues or concerns should be studied and evaluated as part of the 2015-2023 Housing Element Update?
- Does the MAC have any thoughts or ideas about how to engage the public during the update process? Are there specific community groups/organizations that should be contacted during the update process?

Staying Informed

check Housing Element Update webpage

<http://www.co.contra-costa.ca.us/4720/Housing-Element-2014>



Staff Contact

2015-2023 Housing Element Update

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