

THE CITY OF SAN DIEGO

Report to the Planning Commission

| DATE ISSUED: | September 26, 2019 | REPORT NO. PC-19-088 |
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| HEARING DATE: | October 3, 2019 | |
| SUBJECT: | General Plan Housing Element Update Works | hop |

SUMMARY

This is an informational workshop to discuss and obtain the Planning Commission's input on the update to the Housing Element of the City's General Plan for the period of 2021-2029.

BACKGROUND

The General Plan Housing Element provides policies to address the comprehensive housing needs of the City. It is one of ten elements of the City of San Diego's General Plan; however, it is provided under separate cover due to the need for frequent updates and to facilitate compliance with annual reporting requirements. State law requires that local jurisdictions update their Housing Elements every eight years in order to outline the existing and projected housing needs of their community, the barriers or constraints to providing that housing, and actions proposed to address these concerns. The Housing Element must remain consistent with all other elements of the General Plan.

DISCUSSION

The Housing Element is a policy document that provides analysis of San Diego's housing needs and setting out the City's housing goals, objectives, and policies. While many of its components are prescribed by State Law, the document also provides a local perspective on issues that are specific to San Diego and the needs of the City's residents.

A. <u>What is the Regional Housing Needs Assessment (RHNA) and what does it mean for the City</u> of San Diego?

The Regional Housing Needs Assessment (RHNA), mandated by state law, quantifies the need for housing in a region to inform land use planning and regulations to address identified existing and future housing needs resulting from population, employment, and household growth. RHNA represents the projected share of regional housing needs for all income groups over the course of each Housing Element cycle. SANDAG is currently administering the 6th cycle of the RHNA process (2021-2029) for all of the jurisdictions within San Diego County.

The RHNA determination and distribution is established through a collaborative process between the State of California and SANDAG. SANDAG has worked with its member

jurisdictions to develop a methodology to distribute the RHNA target housing units to the jurisdictions, based on such factors as: transit availability, employment, and equity.

On September 6, 2019, the SANDAG Board of Directors approved a draft distribution methodology and directed staff to submit the draft methodology to the State Department of Housing and Community Development for review and approval. Under the proposed methodology, the City of San Diego's allocation of RHNA housing units for the Housing Element period of 2021-2029 is 107,901. This allocation is further broken down by income category as follows:

| Income Category | Housing Need (Units) |
|--|----------------------|
| Very Low (0-50% of Area Median Income) | 27,510 |
| Low (51-80% of Area Median Income) | 17,311 |
| Moderate (81-120% of Area Median Income) | 19,297 |
| Above Moderate (120%+ of Area Median Income) | 43,783 |
| Total | 107,901 |

In past Housing Element cycles, State law emphasized that jurisdictions were mainly responsible for ensuring that there was adequate capacity to develop the number of units in the RHNA allocation under the jurisdiction's land use plans and zoning. However, housing production in the current cycle is not keeping pace with need. Therefore, recent state legislation and administrative actions have placed additional emphasis on production of RHNA allocation units in the upcoming Housing Element cycle. This emphasis will be reflected throughout the City of San Diego's Housing Element with descriptions of recent and future actions to increase housing production across the City.

B. <u>What are the components of the Housing Element</u>?

The major components of the Housing Element are:

1. Housing Needs Analysis

The housing needs analysis provides context for the Housing Element. It will include data and analysis on: existing housing stock; population demographics; affordable housing units at risk of conversion to market rate rents; existing and needed units and services for lower income households; existing and needed shelter and services for people experiencing homelessness; housing needs for other special groups including farmworkers, seniors, people with disabilities including developmental disabilities, large families, and female heads of household; and impediments to fair housing choice.

2. Constraints Analysis

The Housing Element must include an analysis of factors that incentivize, influence, and constrain development, including affordable housing. The analysis will detail any constraints related to: the building code, code enforcement, onsite or offsite improvement standards, housing for persons with disabilities, and ordinances or policies that constitute a barrier to multifamily or affordable housing. The constraints

analysis should also discuss the impact that fees and permitting processes have on housing development.

3. Goals, Quantified Objectives, and Policies

The core of the Housing Element are the goals, objectives, and related policies that will guide the City to meet the needs identified through the RHNA process, the housing needs analysis, and the regulatory analysis. The goals, objectives, and policies should relate to maintenance, preservation, improvement, and development of housing generally and affordable housing specifically. They should also address each housing need, resource inadequacy, and constraint identified and assessed in the housing needs and constraints analyses.

4. Programs to Achieve Goals and Objectives

The Housing Element will also identify implementation actions and programs to achieve the Housing Element's goals and objectives. These actions and programs should remove constraints, improve processes, and incentivize housing production; improve the existing housing stock; and conserve and preserve existing affordable housing. They also need to affirmatively further fair housing in the City of San Diego.

5. Site and Zoning Analysis

The site and zoning analysis is intended to analyze where development capacity exists within the City. It is required to analyze what permitted residential densities facilitate development; opportunities for energy conservation through the transit-land use connection. It is also required to provide a comprehensive inventory of sites within the City that are adequate to meet the City's RHNA housing production target for the planning period, based on an analysis of sites' realistic capacity for housing units.

6. General Plan Consistency Analysis

The final required component is an analysis of the Housing Element's consistency with the other elements of the City's General Plan. The Housing Element may not be inconsistent with the General Plan.

C. What public outreach has taken place so far?

The Planning Department has held five (5) public workshops to gather input from citizens on their housing needs and their ideas about how the City can assist in meeting those needs. The workshops were held on weekday evenings in locations across the City to facilitate attendance, and Spanish translation assistance was provided at all events. The outreach dates and locations were:

- September 17: South City (Cesar Chavez Community Center, San Ysidro)
- September 19: Central and Southeastern San Diego (Dolores Magdeleno Memorial Recreation Center, Logan Heights)
- September 24: North City (Gil Johnson Mira Mesa Recreation Center, Mira Mesa)
- September 26: Mid-City (Colina Del Sol Recreation Center, City Heights)
- October 1: West City (Crown Point Elementary School, Pacific Beach)

In addition, a sixth public outreach event is scheduled for October 5 in Encanto, in conjunction with the Clean Air Day at First Saturdays event, to facilitate input by citizens in the Encanto Neighborhoods and Skyline-Paradise Hills communities.

To facilitate participation by citizens who are not able to attend an outreach event, the workshop materials have also been incorporated into an online survey in English and Spanish. The survey link has been distributed via email and social media, and will be open for responses through October 15.

D. What is the purpose of the Planning Commission Workshop?

The Housing Element covers many topics on which the Planning Commission is particularly well suited to provide input. This includes insight and ideas on factors that incentivize, influence, and constrain development, and actions and programs to remove constraints, improve processes, incentivize housing production, improve the existing housing stock, conserve and preserve existing affordable housing, and affirmatively further fair housing. The Planning Commission Workshop provides an opportunity for City Staff to receive valuable input on housing issues in the early stages of the Update process.

CONCLUSION

The Planning Department respectfully requests the Planning Commission's suggestions regarding the Housing Element Update for the planning period of 2021-2029. This includes input on goals, objectives, policies, implementation actions and programs to facilitate and incentivize housing and affordable housing production amongst other housing-related issues.

The input received through the workshops, online survey, and Planning Commission workshop will be incorporated into a public review draft Housing Element, which is anticipated to be released in late-October for comment. A final draft of the Housing Element will be presented to the Planning Commission for recommendation in late 2019, and presented to City Council in February or March 2020 for adoption.

Respectfully submitted,

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