



AGENCY: City Council  
MEETING DATE: June 10, 2019  
DEPARTMENT: Community Development  
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## AGENDA ITEM SUMMARY

### **TITLE:**

**Receive Report and Provide Direction to Staff Regarding the 2019 Housing Element Update**

### **ISSUE:**

The City of Fort Bragg adopted its current General Plan in December 2002, concluding nearly a decade of work by the City Council, the Planning Commission, and the public to create a document with long-range policies to guide development and conservation efforts over the next 20 years.

In November 2004, 2009 and 2014 the Council updated the Housing Element (one of nine statutorily required elements of a General Plan) as required by State Law. In 2019, the City Council must again consider proposed revisions to the Housing Element as State law mandates that the Housing Element be updated every five years. After the City completes the Housing Element update, it must be "certified" (i.e., found to be in compliance with State law) by the State Department of Housing and Community Development (HCD). An up-to-date Housing Element is necessary in order for the City to retain its eligibility for CDBG and other state funding.

A draft of the Housing Element update has been formulated over the past three months with significant community participation through one-on-one interviews, small group meetings, a Town Hall workshop, Farmer's Market table, web-based survey and as a Conduct of Business item by the Planning Commission. In all, more than 150 people participated in the formulation of this Housing Element and many of the innovative ideas in the Element came from community members.

A full public hearing process by the Planning Commission and Council will occur later this summer, after the document has been reviewed by the City Attorney's office and HCD.

### **ANALYSIS:**

The Housing Element is the blueprint for City actions with regard to housing over the next eight years. It is a statement of Fort Bragg's vision to address existing and future housing needs in our community. This Housing Element includes a wide array of innovative actions that the City and community partners can take, which include everything from removing regulatory barriers to forming deeper collaborations to address some of our more difficult challenges. It focuses on increasing housing opportunities for all types of housing throughout the community, from the tiny home to larger multi-unit projects. It takes a variety of approaches that will require the hard work of the public, non-profit and private sectors. This housing element has been significantly revised and updated and responds to the many innovative and outstanding ideas from community members, non-profit managers, business owners, contractors, real estate agents and City staff.

*The primary goals of the 2019 Fort Bragg Housing Element are to encourage, facilitate, support and help fund:*

- 1. 200 new market rate and affordable housing units that serve our residents, businesses, and special needs populations;*
- 2. Preservation of our existing housing stock; and*
- 3. New housing that meets our Regional Housing Needs Allocation.*

The construction of 200 housing units over the next five years is an ambitious goal. For this number to be achieved the City will need to establish many pro-housing programs and streamline the permitting process for new housing, while also working to attract multi-family housing developers to the area and rezoning a portion of the GP Mill Site for multi-family housing. The City and affordable housing operators will need to work together to construct and preserve affordable housing units as affordable units. Finally, property owners will need to participate in the process and continue to improve our housing stock by rehabilitating older units and constructing accessory dwelling units.

Key policies and programs that address Fort Bragg's Housing Crisis (noted in purple text in the attached document) have been added to the Housing Element as follows:

- Program H-1.3.3 Junior Accessory Dwelling Units
- Program H-1.3.5 Allow Tiny Homes as Second Units
- Program H-1.3.6 Alternative Designs for Second Units
- Program H-1.6.2: Planning Incentives for Infill
- Program H-1.7.1: Permit Streamlining
- Program H-1.7.2: Site Improvements
- Program H-1.7.3: Market Study
- Program H-1.7.3: Attract Multi-Unit Developers
- Program H-1.7.4: Allow Higher Densities by Right
- Program H-1.7.5: Allow Higher Densities in Single Family Residential Districts with Use Permit Approval
- Program H-1.7.6: Simplify Design Review for Small Residential Projects
- Program H-1.7.7: Workforce Housing in Mixed-Use Zoning.
- Program H-1.7.8: Live-Work Housing in Industrial Zoning Districts.
- Program H-1.7.8: Tiny Home Community
- Program H-1.7.9: Public Private Partnership for Major Subdivisions
- Program H-1.7.10: Mitigation Banks
- Program H-1.8.1 Repair and Replace
- Program H-1.8.2 Substandard Housing Program
- Program H-1.9.1: Building Permits
- Program H-1.9.2: Reduce the Cost of Construction
- Program H-2.2.2 House Sharing
- Program H-2.2.2 Encourage Housing for Seniors with Pets
- Program H-2.2.2 Encourage Housing with Dementia Care and Assisted Living for Seniors
- Program H-2.4.3 SRO Housing by Right
- Program H-2.4.4 Consider Community Land Trust
- Program H-2.4.5 Prioritize City Services for Housing Developments
- Program H-2.4.6 Support Effective Use of Housing Vouchers
- Program H-2.4.7 Supportive Housing
- Program H-2.8.4 Transitional and Supportive Housing

- Program H-2.8.6 Emergency Shelter for Families
- Program H-2.8.7 Emergency Shelters Regulatory Changes
- Program H-2.8.8 Evidence Based Homeless Services
- Program H-2.9.3 Revise Annexation Regulations
- Program H-4.1.2 Reduce Capacity Fees for Smaller Units
- Program H-5.2.1 Discourage Vacation Rentals
- Program H-5.3.3. Monitor Units At-Risk
- Program H-5.3.4 Work with Potential Purchasers of At-Risk Projects
- Program H-5.3.5 Maintain a List of At-Risk Projects
- Program H-5.3.6 Provide Education & Assistance to Tenants of At-Risk Projects
- Program H-7.1.1 Recycling
- Program H-7.1.2 Rainwater Capture & Drought Tolerant Landscaping
- Program H-7.1.3 Sustainable Building Techniques
- Program H-7.1.4 Passive Solar Design Strategies
- Program H-7.1.5 Energy Retrofit Program

Staff is seeking direction from the City Council regarding the new programs (noted in purple text in the Housing Element) as well as the many effective programs that have been retained from the 2014 Housing Element. Please note that the programs provide an opportunity for the City Council to “consider” various different and new policy approaches to resolving the City’s housing shortage. Staff is not seeking direction at this time about whether or not (or how) to implement a specific program as that work will be accomplished in partnership with the City Council over the next five to eight years. Indeed, some of the proposed programs may be controversial and certainly deserve much community and Council discussion prior to implementation. As previously mentioned this Housing Element is a multi-year housing work plan for the Council, staff and the community.

Therefore, staff is seeking the following direction:

1. Are there policy or program ideas that are missing? The best way to identify new program ideas is to identify housing challenges of which you are aware. If you can identify a challenge that we have not addressed, we can craft program language to try and address that challenge.
2. Are you aware of housing efforts in other rural communities that the City should consider emulating?
3. Have we proposed new programs that you feel are not worth considering at a later date and that you would prefer to strike now?

The Housing Element will also include the following additional information that was used to inform the development of the new housing policies and programs.

- A detailed analysis of the community’s housing needs, which covers: 1) population and employment trends; 2) an analysis of existing household characteristics; 3) characteristics of our existing housing stock; 4) an analysis of housing needs for special needs populations; and 5) an analysis of affordable housing projects that are at-risk for conversion to market rate units.
- A detailed inventory of vacant and available sites for new housing development. This analysis includes a detailed listing of parcels with minimum allowable units, and known constraints to development and the likely level of CEQA review required for development.

This section also identifies that the City does provide sufficient vacant zoned land for all required income levels of the Regional Housing Needs Allocation (RHNA) and all housing types.

- A detailed analysis of governmental and nongovernmental constraints to development of new housing in Fort Bragg.
- An evaluation of the City's efforts to implement the 2019 Housing Element.

The next step for staff is to complete the environmental review (CEQA Analysis) of the programs and policies of the Housing Element.

**RECOMMENDED ACTION:**

Provide direction to staff regarding the policies and programs of the 2019 Housing Element.

**ALTERNATIVE ACTION(S):**

None.

**FISCAL IMPACT:**

Staff has dedicated significant time to the Housing Element Update, however the Housing Element Update will have a net positive fiscal impact on the City because it will allow the City to continue to apply for and obtain State funding for a variety of activities, programs and projects.

Further the staff time expended on the Housing Element has been funded by the General Plan Maintenance Fee. To date Community Development Department staff has spent 197 hours at a cost to the General Plan Maintenance Fee of \$16,677 on the preparation of this Housing Element. If the City had hired a consultant to complete the Housing Element, it would have cost at least \$40,000 and possibly more.

**CONSISTENCY:**

Staff has reviewed the consistency of the proposed Housing Element with the other elements of the City's General Plan and we have found that the policies and programs are consistent. A complete consistency analysis will be included in the CEQA analysis and findings for adoption will be included in a resolution when the Planning Commission and City Council consider the CEQA document and the final Housing Element in August.

**IMPLEMENTATION/TIMEFRAMES:**

The Housing Element update process consists of the following steps:

1. Submit the draft Housing Element to HCD, allowing 60 days for HCD's review.
2. Based on the Draft Element, conduct an "Initial Study" in accordance with the California Environmental Quality Act (CEQA) to evaluate the potential environmental impacts.
3. Circulate the CEQA document for 30 days.
4. Consider comments from the public and HCD and modify the Draft Housing Element as necessary.
5. Public comments will also be accepted in writing and verbally at public hearings before the Planning Commission and City Council.
6. Based on a recommendation of the Planning Commission, the City Council may approve and adopt the revised Housing Element by resolution.

7. The final adopted Housing Element must be prepared and immediately submitted to HCD, which then must issue a written determination within 30 days indicating whether the Housing Element substantially complies with State law (§ 65585).

**ATTACHMENTS:**

1. 2019 Draft Housing Element – Section 1

**NOTIFICATION:**

- Affordable Housing 'Notify Me' Subscriber List
- Community Workshop Participants, that provided contact information
- Housing Action Team
- Mendocino Coast Hospitality Center
- Redwood Coast Senior Center
- Project Sanctuary
- Safe Passage
- Coastal Mendocino Board of Realtors
- DANCO Group
- Habitat for Humanity
- Mendocino Coast Hospital
- Fort Bragg Unified School District
- Mendocino Coast Clinics
- US Coast Guard: Station Noyo River