



North Fair Oaks Community Council

May 17, 2023

San Mateo County Housing Element Update

HCD Review and Comment



Overview

- Housing Element Overview, Update Process and Requirements
- Housing Element Sections
- Goals, Policies and Programs
- RHNA and Sites Inventory
- Rezoning Program
- Department of Housing and Community Development Review and Comment
- Next Steps
- Discussion

San Mateo County Housing Element Overview



What is the Housing Element

A plan for the housing needed in a jurisdiction/community

- Part of the County's General Plan
- Required by state law
- Assesses current and future housing needs
- Includes Housing Policies and Programs
- Must be updated every 8 years
- County Housing Element is for unincorporated County only

ADDITIONAL INFORMATION

- Update process, comments received, Sites Inventory Explorer
- Public Review Draft Housing Element, HCD Submittal Housing Element
- Environmental Review, HCD review letter, other information

<https://www.smcgov.org/planning/san-mateo-county-housing-element-update-2023-2031>

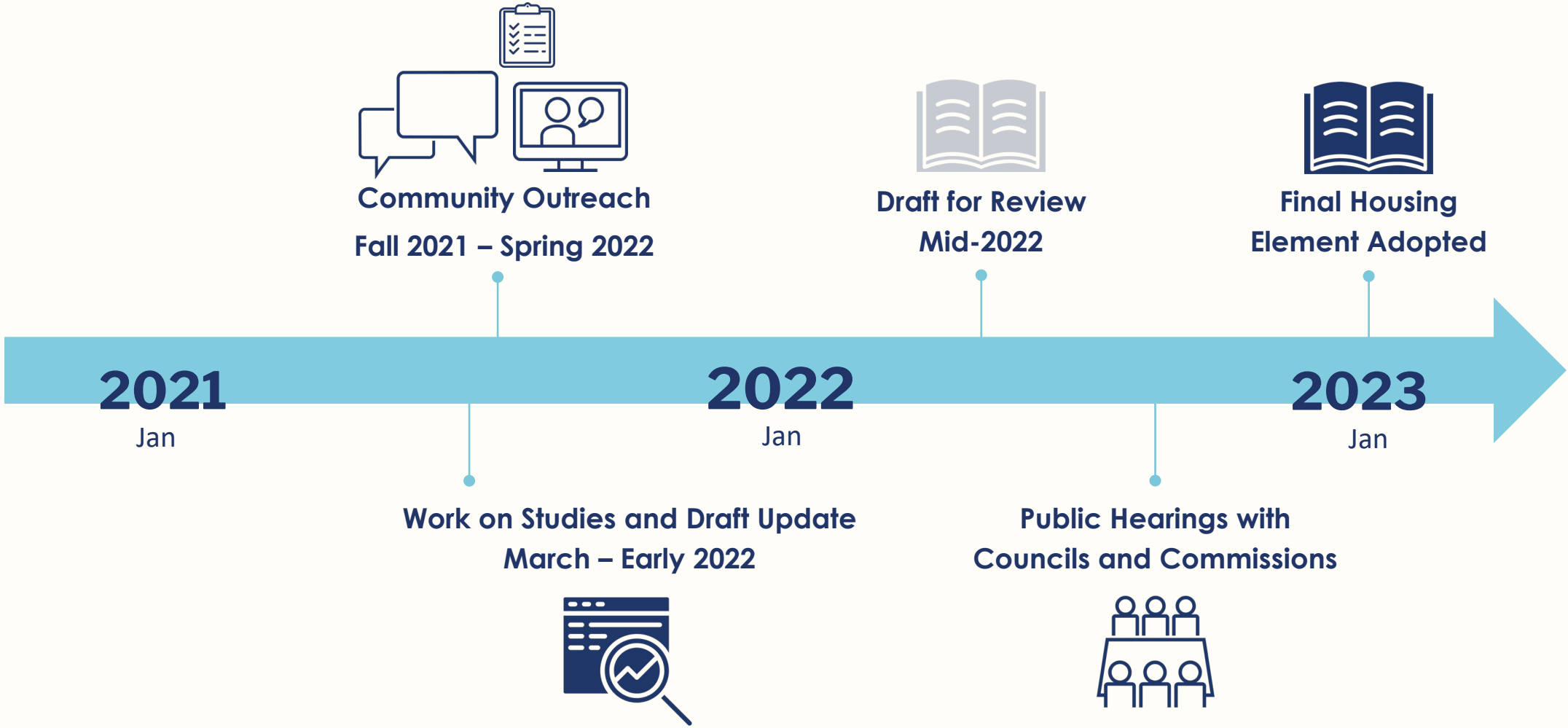
Housing Element Components

- Assessment of demographics, housing conditions, and housing needs
- Evaluation of constraints to housing production
- Assessment of housing resources
- Evaluation of the prior housing element
- Identification of capacity to meet projected housing need
 - Sites Inventory and the Regional Housing Needs Allocation (RHNA)
- A Housing Plan, with goals, policies and programs to meet housing needs
- A fair housing assessment, and plan to affirmatively further fair housing

Housing Element Sections

- Demographics, Existing Conditions, Housing Needs
- Constraints
- Resources
- Review of Prior Housing Element
- Goals, Policies, Programs
- Regional Housing Needs Allocation (RHNA) and Sites Inventory
- Public Outreach – summary of efforts, comments, input
- Affirmatively Further Fair Housing

The Update Process



Housing Element Submittal

Planning Commission Hearing

-October 12, 2022

Board of Supervisors Hearings

-November 15, 2022

-December 6, 2022

Housing Element Submittal

-January 20, 2023

HCD Response

-April 20, 2023

Housing Element Goals

- Protect Existing Affordable Housing Stock
- Support New Housing for Extremely Low to Moderate-Income Households
- Promote Sustainable Communities through Regional Coordination Efforts and Locating Housing Near Employment, Transportation, and Services
- Promote Equal Housing Opportunities
- Promote Equity through Housing Policy and Investments
- Require or Encourage Energy Efficiency, Resource Conservation, and Climate Resiliency Design in New and Existing Housing

RHNA and Sites Inventory

- An inventory of all developable and redevelopable sites (properties) for housing production, sufficient to meet the County's Regional Housing Needs Allocation (RHNA)
- Can include credit for units in the development pipeline, and projected development of ADUs and other units

Regional Housing Needs Allocation (RHNA)

- Amount of housing needed in San Mateo County over the next 8 years, determined by the State and the Association of Bay Area Governments (ABAG)
- State determines regional share of statewide need
- ABAG allocates regional share among Bay Area jurisdictions
 - This share is the County's RHNA
- Housing Element must identify enough realistically developable sites to meet the RHNA

RHNA

County RHNA: Current vs 2023-2031

Income Level	RHNA 5 Allocation	RHNA 6 Allocation	Increase
Very Low Income (50% AMI)	153	811	658 (430%)
Low Income (60% AMI)	103	468	365 (354%)
Moderate Income (80% AMI)	102	433	331 (325%)
Above Moderate Income (120% AMI)	555	1,121	566 (102%)
TOTAL:	913	2,833	1,920 (210%)

Sites Inventory

- Sites Inventory must assess sites available for housing production
- May include vacant sites, and potential sites for redevelopment
- May credit projects already approved, entitled, underway
- May credit projections of ADU and other anticipated non-site-specific production if reasonable
- Sites must be feasibly developable
- If there is insufficient capacity to meet RHNA, County must commit to creating more sites

Sites Inventory

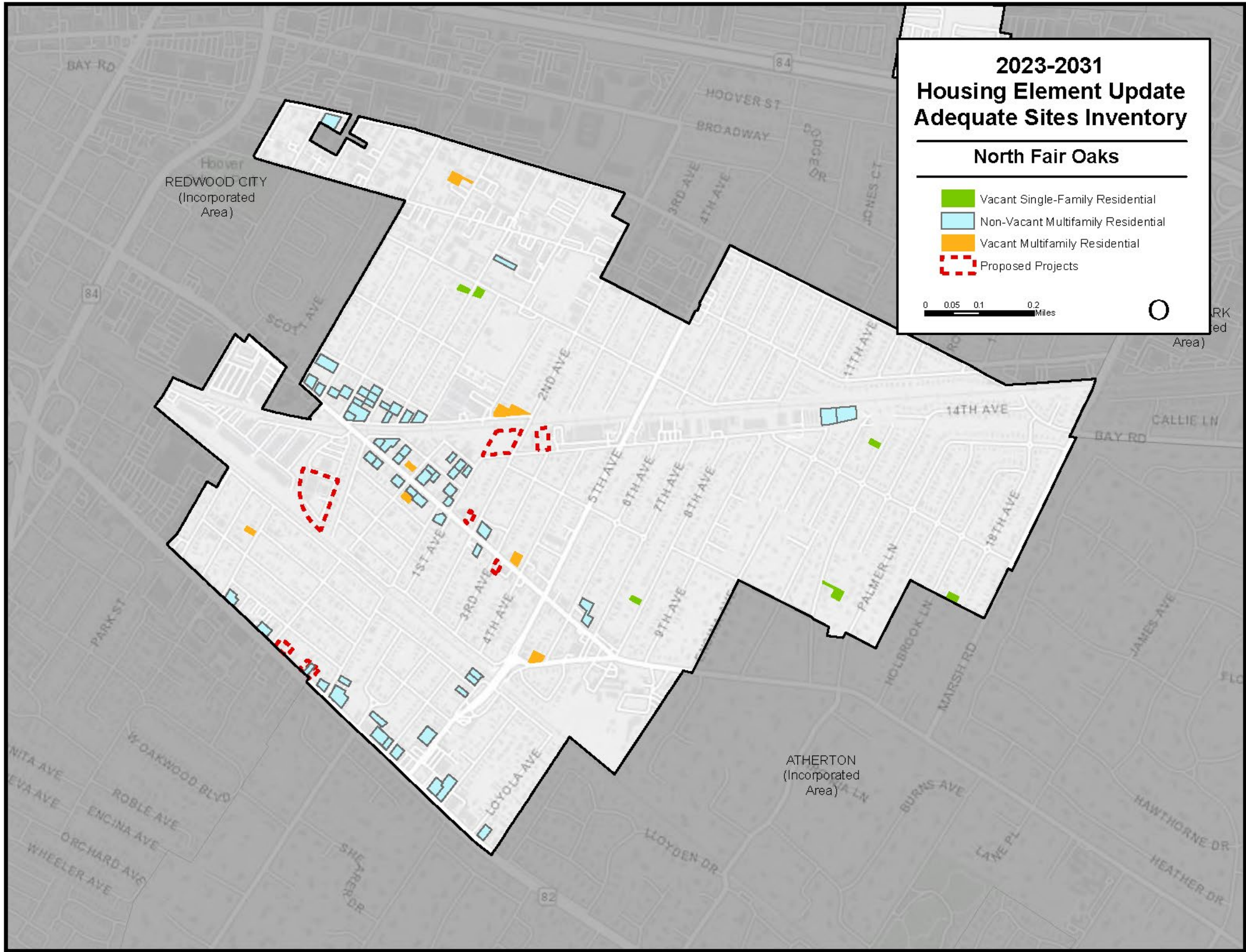
- Projected ADU production, based on past trends
- Projected SB 9 production, based on applications since SB 9 took effect
- Pipeline projects: multifamily projects approved, entitled, and/or significantly advanced
- Vacant and non-vacant sites suitable for development and redevelopment

**2023-2031
Housing Element Update
Adequate Sites Inventory**

North Fair Oaks

- Vacant Single-Family Residential
- Non-Vacant Multifamily Residential
- Vacant Multifamily Residential
- Proposed Projects

0 0.05 0.1 0.2 Miles ○

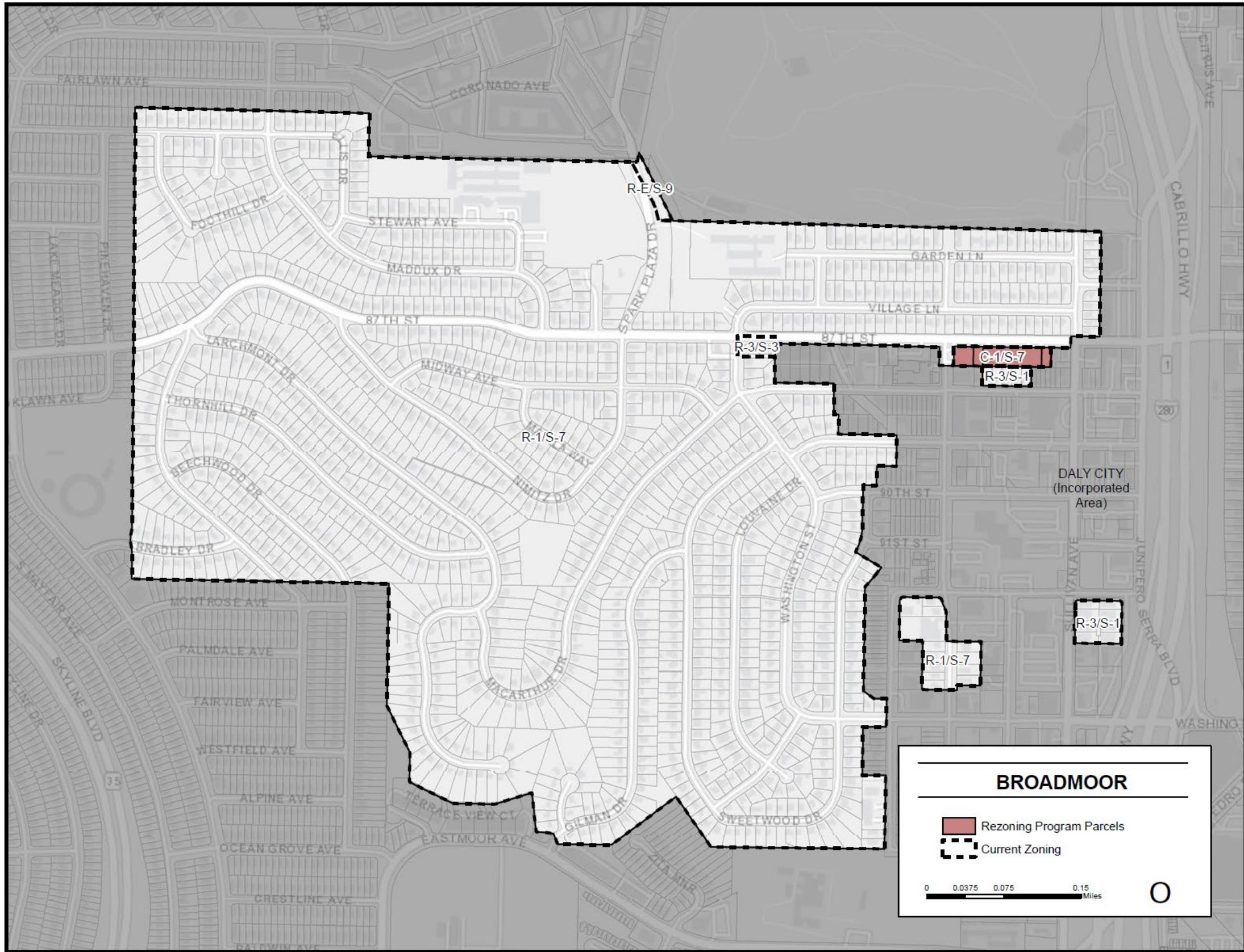


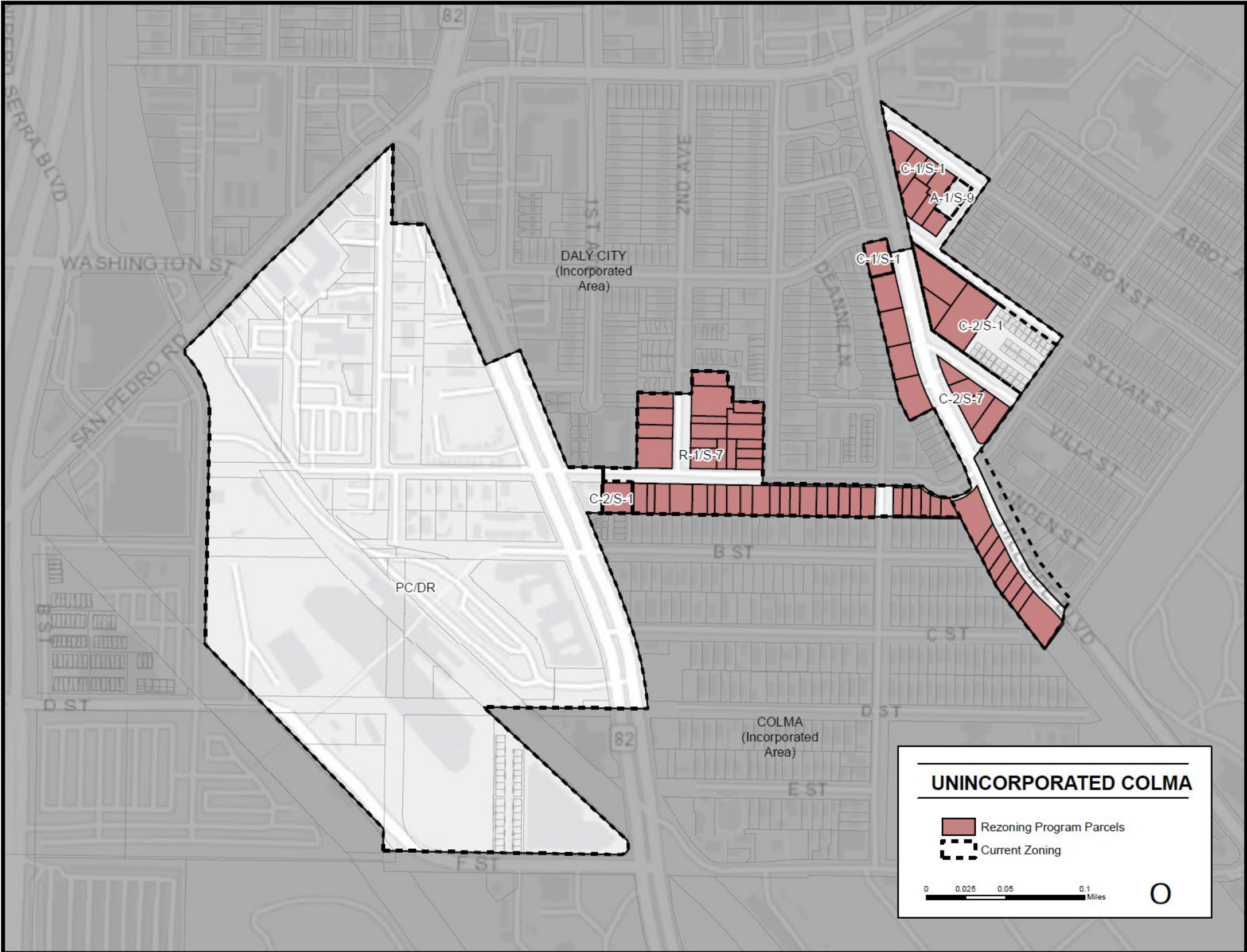
Sites Inventory vs RHNA

Income Category	RHNA	Vacant SFR	Vacant MFR	Non-Vacant MFR	Pipeline (RHNA Credits)	ADUs	SB 9 Units	Total Units	Surplus/ (Deficit)
Very Low	811	0	23	265	296	107	0	690	(121)
Low	468	0	22	260	239	107	0	627	159
Moderate	433	0	55	214	44	107	88	508	75
Above Moderate	1,121	493	181	645	147	36	88	1,589	468
Total	2,833	493	280	1,384	726	355	176	3,414	581

Rezoning Program

		Potential Units by Income Level			
Community Area	Parcels	Very Low Income	Low Income	Moderate Income	Above Moderate Income
Broadmoor	4	23	21	21	17
Harbor Industrial	10	409	403	403	22
Uninc Colma	73	90	80	80	365
Total	87	522	504	504	404

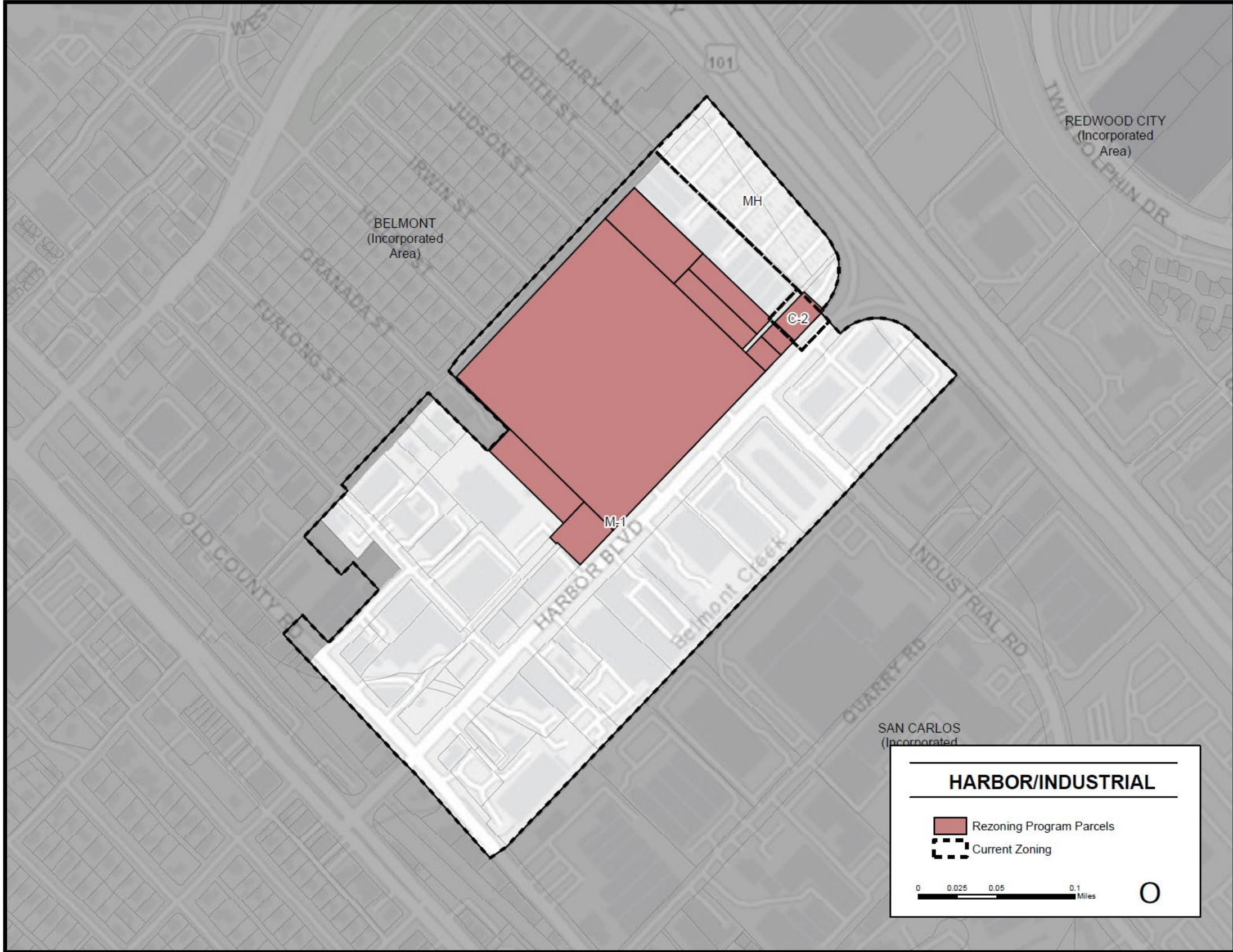




UNINCORPORATED COLMA

- Rezoning Program Parcels
- Current Zoning

0 0.025 0.05 0.1 Miles



HARBOR/INDUSTRIAL

■ Rezoning Program Parcels

⋯ Current Zoning

0 0.025 0.05 0.1 Miles

○

Sites Inventory vs RHNA w/ Rezoning

Income Category	RHNA	Total Units	Original Surplus/ (Deficit)	Units from Rezoning	Surplus/ (Deficit) w/ Rezoning
Very Low	811	690	(121)	522	401
Low	468	627	159	504	663
Moderate	433	508	75	504	579
Above Moderate	1,121	1,589	468	404	872
Total	2,833	3,414	581	1,934	2,515

HCD Review and Comment



HCD Review and Comment

- More extensive analysis, more granular analysis, more regional analysis and comparison
- Better justification of development and redevelopment assumptions
- More detailed description and assessment of needs and constraints, with additional data sources
- More specificity and firmer commitments in programs and policies
- More robust analysis of fair housing issues
- Some identification of missing components

HCD Review and Comment

Review of Prior Housing Element

- More assessment of effectiveness of prior policies and programs
- Evaluation of cumulative effectiveness of meetings needs of special needs populations

Updated Housing Element will include more detailed assessment.

HCD Review and Comment

Fair Housing Complaint Referral and Compliance with Federal and State Fair Housing Laws

- Housing Element must include description of how fair housing complaints are addressed, and the County's compliance with fair housing laws

Updated Housing Element will include more substantive description.

HCD Review and Comment

Integration and Segregation; Disparities in Access to Opportunity

- Housing Element must include comparison of integration and segregation patterns and disparities of access to opportunity not only within and between County areas, but in comparison to the region

Updated Housing Element will include regional analysis and comparison.

HCD Review and Comment

Racial/Ethnic Areas of Concentration of Poverty (R/ECAPs) and Racially Concentrated Areas of Affluence (RCAAs)

- More analysis of conditions and factors within R/ECAPs and RCAAs; comparison to the region

The unincorporated County technically has no R/ECAPs; however, more substantive analysis of similarly impacted areas and of RCAAs, and regional comparison, will be included

HCD Review and Comment

Disproportionate Housing Needs, Including Displacement:

- Describe concentrations of substandard housing, locally and regionally
County is seeking data; very few sources of data on substandard housing at any level
- Clarify if Point in Time (PIT) Homeless County (one-day count) is representative of the County
Clarify with HCD; we believe PIT is representative
- Analyze areas sensitive to displacement due to disaster
This analysis will be included

HCD Review and Comment

Sites Inventory and Affirmatively Furthering Fair Housing Analysis

- Housing Element should include more extensive neighborhood by neighborhood analysis of sites by income level, and the impact of locating housing sites in each identified area

This assessment will be included.

HCD Review and Comment

Housing Stock Condition

- Include number of units in need of rehabilitation and/or replacement

Previously, age of housing stock was used as proxy; this method is no longer acceptable.

County is seeking data sources on housing stock. This is a challenge for unincorporated areas, as there are few data sources.

May be addressed by including a program to undertake comprehensive assessment.

HCD Review and Comment

Housing Programs

- Comment letter identifies a number of programs for which greater certainty and specificity should be provided, including deadlines, amounts of funding sought and distributed, firmer commitments to specific actions, and other detail.

The updated Housing Element will modify these programs, with clarification from HCD.

HCD Review and Comment

Housing Costs

- Reliance on census data on housing costs is insufficient; need for other sources (Zillow, etc)

Updated Housing Element will supplement census data with other local sources.

HCD Review and Comment

Progress Meeting RHNA

- “The County’s RHNA may be reduced by the number of new units built since June 30, 2022; however, the element must demonstrate their affordability based on actual sales price, rent level, or other mechanisms ensuring affordability (e.g., deed restrictions)...”

The draft Housing Element does not reduce the RHNA using units built since June 30, 2022.

HCD Review and Comment

Realistic Development Capacity

- Need for more extensive assessment of developability and redevelopability; trends, neighborhood factors, site conditions

The updated Housing Element will include more extensive analysis.

HCD Review and Comment

Realistic Development Capacity

- “analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow 100 percent nonresidential uses (e.g., mixed-use).”
- “...In addition, the element appears to assume residential development on sites with zoning that allows 100 percent nonresidential uses.”

This is a misunderstanding of the County’s commercial and neighborhood mixed use zones, which require one floor of non-residential development combined with multiple stories of multifamily residential development. The updated Housing Element will clarify.

HCD Review and Comment

Suitability of Non-Vacant Sites

- Provide trend data, current uses, market demand, improvement-to-land ratio, and other data indicating why non-vacant sites may be redevelopable

The Housing Element does provide information on current uses, improvement-to-land ratios, and recent trends, but will be supplemented with more robust and detailed data.

HCD Review and Comment

Small Sites

- “Sites smaller than a half-acre in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size and affordability were successfully developed during the prior planning period ... or other evidence is provided. “

The Housing Element provides data on similarly sized sites developed in the prior cycle. However, HCD may be seeking more detail, or may consider these examples insufficient. To be clarified with HCD.

HCD Review and Comment

SB 9 Sites

- HCD rejected the Housing Element's methodology for projecting SB 9 development in aggregate based on trends to-date
- Wants site-by-site analysis of development potential of every SB 9 site
- Other jurisdictions' SB 9 projections were also rejected

May have to simply remove SB 9; to be clarified with HCD.

HCD Review and Comment

Replacement Housing Requirements; Sites Identified in Multiple Periods

- “Generally, if the sites inventory identifies sites with existing residential uses that meet specific conditions, the element should include a program for replacement housing”

We believe there are no sites meeting these conditions.

- “Sites identified in prior planning periods shall not be deemed adequate to accommodate the housing needs for lower-income households unless a program, meeting statutory requirements, requires rezoning within one or three years, whichever is applicable.”

The Housing Element has no lower-income sites identified in prior planning periods.

HCD Review and Comment

Accessory Dwelling Units

- ADU projections are inconsistent with HCD records

Housing Element includes trends since 2019, when State law deregulated ADU production, with a modest growth projection over the next 8 years. HCD seems to want assumptions consistent with a longer time period, and no projected increase. To be clarified.

HCD Review and Comment

Zoning for a Variety of Housing Types

- Housing Element should demonstrate and describe compliance with standards for emergency shelters, permanent supportive housing , low barrier navigation centers, SROs

The County complies with state standards and the Housing Element will describe compliance, but in some cases the zoning regulations still have outdated standards that are no longer applied. Housing Element will include a program to bring this language up to date.

HCD Review and Comment

ADU Regulations

- HCD believes the County's ADU regulations may be out of compliance with State law, but intends to provide a more substantive assessment later

Since 2020, there have been some minor changes to state law that have not yet been captured in the County's regulations, although updates are in progress. The Housing Element will describe these updates.

HCD Review and Comment

Analysis of Constraints

- Housing Element should describe, and describe the constraints on development presented by:
 - All land use controls
 - All fees and exactions
 - Local processing and permit procedures
 - The Planned Unit Development (PUD) process
 - Design Review regulations

The Housing Element includes most of this information in some detail, but more substantive and detailed assessment may be required. The PUD process is optional and presents no constraints. To be clarified with HCD.

HCD Review and Comment

State Density Bonus Law

- Housing Element should assess whether County's Density Bonus program complies with State law

There have been minor changes to State Density Bonus Law since the County's last update, although the County's ordinance has a provisions stating that in any case of conflict, State law supersedes. Housing Element will include a program to update further

HCD Review and Comment

Constraints and Transparency

- Describe and analyze local amendments to the building code and their degree and type of enforcement for impacts on housing supply and affordability

There are no such local amendments

- Clarify compliance with new transparency requirements for posting zoning and development standards, and inclusionary requirements for each parcel on the jurisdiction's website

The Housing Element includes this description, but “for each parcel” is unclear, and more description may be required. To be clarified.

HCD Review and Comment

Inclusionary Housing Ordinance

- “Must describe and analyze ‘the City’s’ inclusionary housing requirements, including [...] potential constraints on development of housing... [A]nalysis must evaluate the inclusionary policy’s implementation framework, including levels of mandated affordability and the types of options and incentives offered to encourage and facilitate compliance with the inclusionary requirements”

The housing element describes the affordability requirements, options and incentives in detail, and various assessments indicating that inclusionary housing programs are not typically a constraint on multifamily when combined with incentives. Also references recent significant increases in multifamily development. To be clarified with HCD.

HCD Review and Comment

Rezoning program

- “In addition, the element describes a shortfall of sites and indicates rezoning will occur to accommodate the RHNA. While the element includes Programs 2.1, 11.1, and 11.3, it must specifically commit to acreage, allowable densities and anticipated units. In addition, if necessary, to accommodate the housing needs of lower-income households, the program should specifically commit to rezoning [...]”

The housing element does commit to specific acreages and minimum by-right densities, as well as anticipated units, and commits to rezoning. To be clarified with HCD.

Next Steps

- Planning Department and Housing Department assessing comment, drafting response
- Consultation with 21 Elements and Fair Housing consultants
- Comparison with other jurisdictions comment and response
- Meet with HCD for clarification and discussion of proposed strategies
- Draft amendments
- Recirculate Housing Element for public review
- Resubmittal and adoption hearings
- Planning Commission hearing tentatively schedule for June 21



North Fair Oaks Community Council

May 17, 2023

San Mateo County Housing Element Update – HCD Review and Comment



ADU Production

ADU PRODUCTION, 2012 - 2021

Year	ADUs
2012	8
2013	6
2014	13
2015	6
2016	10
2017	14
2018	31
2019	34
2020	31
2021	43
Total	196

Affirmatively Furthering Fair Housing

Housing Element must include an assessment of fair housing, and policies and programs to address and further fair housing

Affirmatively Furthering Fair Housing

“[T]aking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”

Vacant and Non-Vacant Sites

- Vacant Single-family sites assumed to be affordable only to above-moderate income
- Vacant Multifamily sites assumed to be appropriate for lower incomes at densities above 30 units/acre
- Non-Vacant Redevelopable sites assumed to be appropriate for lower incomes at densities above 30 units/acre

Projected ADU Production

Projected ADUs, Housing Element Period

Year	Projected ADUs
2023	35
2024	35
2025	40
2026	40
2027	45
2028	50
2029	55
2030	55
Total	355

Projected SB 9 Units

Projected Units Developed Through SB 9, Housing Element Period

Year	Applications	Net New Units
2023	10	12
2024	12	14
2025	14	21
2026	16	24
2027	16	24
2028	16	24
2029	18	27
2030	20	30
Total	122	176

Pipeline Projects

Address	APN	Community	Proposed Units by Income Level				
			Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
2700 Middlefield Road	054113140	North Fair Oaks	103	76	-	-	179
2385 Carlos Street	037097200	Moss Beach	-	1	-	7	8
3051 Edison Way	060041080	North Fair Oaks	59	20	1	-	79
2857 El Camino Real	054284220	North Fair Oaks	-	1	-	8	9
396 3rd Avenue	060083360	North Fair Oaks	-	-	1	6	7
2875 El Camino Real	054284200	North Fair Oaks	-	-	-	4	4
1993 Carlos Street	037022070	Moss Beach	35	35	-	1	71
2949 Edison Way	060041110	North Fair Oaks	16	17	41	95	169
3017 Middlefield Road	060053100	North Fair Oaks	42	43	-	-	85
434 Macarthur Ave	054232090	North Fair Oaks	42	42	1	1	86
206 Sequioa	069341050	Redwood City	-	3	-	20	23
1301 Woodside Road	069311350	Redwood City	-	1	-	5	6
			296	239	44	147	726

Capacity of Vacant and Non-Vacant Sites

SITES INVENTORY: TOTAL SITES AND UNITS BY INCOME CATEGORY

Income Category	Vacant Single-Family Residential	Vacant Multifamily Residential	Non-Vacant Multifamily Residential
Very Low	0	23	265
Low	0	22	260
Moderate	0	55	214
Above Moderate	493	181	645
Total Units	493	280	1,384