

# CITY OF SAN MATEO

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# Agenda Report

Agenda Number: 2	Section Name: {{section.name}}	Account Number: 25-3112	File ID: {{item.tracking_number}}
TO:	City Council		
FROM:	Drew Corbett, City Manager		
PREPARED BY:	Community Development Department		
MEETING DATE:	January 24, 2023		

### SUBJECT:

General Plan Amendment to Adopt the City of San Mateo's Housing Element for 2023-2031

### **RECOMMENDATION:**

Adopt a Resolution to approve a General Plan Amendment to update the Housing Element for the Sixth Housing Cycle (2023-2031) that is compliant with State law, provides a plan for at least 7,015 new housing units and affirmatively furthers fair housing, and determine that adoption of the Housing Element is exempt from review under the California Environmental Quality Act, based on the listed findings included in Attachment 3.

### BACKGROUND:

The City of San Mateo (City) has prepared a draft update to the Housing Element of the General Plan to affirmatively further fair housing and accommodate the City's 7,015-unit Regional Housing Needs Allocation (RHNA) for the 2023-2031 Housing Element cycle. The content of the draft 2023-2031 Housing Element is structured for consistency with the requirements set forth in State law. In addition to responding to requirements of State law, the Housing Element also demonstrates the City's strategy to meeting its housing needs as determined by local growth projections through identification of sites as well as policies and programs that promote housing development in the City. Public review and input have been a critical component of this Sixth Cycle Housing Element Update, as further described in the Public Outreach Summary section below.

This staff report provides a summary of the Housing Element requirements, an overview of the status of the City of San Mateo's draft Housing Element, the comments provided to the City by the California Department of Housing and Community Development (HCD) on the first 90-day review of the draft, and how the City has responded to HCD's comments, as well as how the draft element substantially complies with the Housing Element law (Government Code sections 65580 – 65589.11) for purposes of adoption.

Since 1969, California has required that all local governments (cities and counties) adequately plan to meet the housing needs of their community. California's local governments meet this requirement by adopting housing elements, which are generally updated every eight years. The housing element is a "chapter" of a city's General Plan, which is also required by State law. However, it is the only element of the General Plan subject to specific requirements for content, and it must be certified by HCD. State funding programs for transportation, infrastructure, and housing often require or consider a local jurisdiction's compliance with housing element law. In addition, non-compliance with housing element requirements and targets could potentially affect a local jurisdiction's ability to impose local zoning and land use controls over housing development and receive certain types of State funding and grants.

For the upcoming eight-year housing cycle (2023-2031), HCD has identified the nine-county Bay Area region's housing need to be 441,176 units, with this number broken down into four income categories, from very low-income households (which includes extremely low) to market rate housing. This Regional Housing Needs Determination (RHND) is based on

population projections produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region's existing housing need. The City of San Mateo's Regional Housing Needs Allocation (RHNA) for this housing cycle is 7,015 new housing units distributed across the four income groups as outlined in Table 1.

Income Category	Very Low 50% AMI	Low 80% AMI	Moderate 120% AMI	Above Market Rate	Total
2023-31 Allocation	1,777	1,023	1,175	3,040	7,015

### Table 1: San Mateo RHNA Targets Summary

Table Source: Housing Element Cycle 6 RHNA Allocation

The City's draft Housing Element identifies how the City can accommodate its RHNA of 7,015 new units over the next eight years, and establishes goals, policies and programs to help address the City's current and future housing needs. A proposed resolution for the City Council to adopt a General Plan Amendment to update the Housing Element for the Sixth Housing Cycle (2023-2031) is included as Attachment 1. The resolution concludes that the proposed Housing Element is compliant with State law, provides a plan for at least 7,015 new housing units and affirmatively furthers fair housing, and determines that it is exempt from review under the California Environmental Quality Act, based on the listed findings. The resolution that memorializes the Planning Commission's recommendation to the City Council is included as Attachment 2. The Planning Commission's resolution is attached in draft form, pending formal approval at a future Planning Commission meeting.

The revised draft Housing Element (Attachment 5) includes the following sections:

- 1. <u>Introduction and Background</u> Includes the history of San Mateo, the legislative framework for housing, consistency and relationship with other General Plan Elements, and a discussion on water/sewer capacity.
- Housing Needs and Sites Inventory Describes the City's housing needs summary, RHNA allocation, sites inventory methodology, an overview of the adequate sites list and focused discussions on various areas that will support increased housing production (i.e. Accessory Dwelling Units, City Properties and Projects, the General Plan Update and Missing Middle Housing). A capacity of up to 9,934 housing units could be accommodated on the properties listed in the Sites Inventory under the City's existing land use and zoning designations.
- 3. <u>Other Required Housing Element Components</u> Provides an overview of the City's governmental and nongovernmental constraints to meet its housing goals, summarizes existing and potential housing resources, and describes the climate change context and energy conservation requirements for new housing developments.
- 4. <u>Public Participation</u> Summarizes the City's efforts to engage with the community, including under-represented groups, key accomplishments of the outreach efforts over the past 18 months, critical take-aways from the community input, and how this input was incorporated into the Housing Element's goals, policies and programs.
- 5. <u>Affirmatively Furthering Fair Housing (AFFH) Assessment</u> Provides an overview of AFFH requirements, a history of segregation in the region, and an assessment of the San Mateo's AFFH issues with primary findings, contributing factors, and the AFFH action plan.
- 6. <u>Housing Plan</u> Describes the policies, programs, implementing actions, and timelines associated with the City's five goals for production and preservation of housing, protection of its residents, promotion of education and outreach, and affirmatively furthering fair housing.
- 7. <u>Quantified Objectives</u> Includes an estimate of actual housing units that could be achieved via preservation and production given available resources as well as projected pipeline projects anticipated for completion over the eight-year housing cycle.
- 8. <u>Review of Prior Housing Element</u> Highlights key accomplishments of, as well as challenges and opportunities learned from, the previous Housing Element and housing cycle (2015-2022).

The Housing Element also includes seven technical appendices (Attachments 6 to 12) that include detailed analysis and information that support the findings and conclusions in the main document.

### Goals, Policies and Programs

Housing needs in the City are significant, especially for very low-, low-, and moderate-income households. These needs affect the entire community, but disproportionately impact underrepresented, special needs, and ethnically diverse populations. Therefore, the Housing Element specifically focuses on the need to affirmatively further access to housing and promote fair housing policies and programs. Over the past two years, staff conducted extensive community outreach, including 19 public meetings, four surveys, and numerous pop-up events, to inform the approach for addressing these needs in the Housing Element.

Based on the City's RHNA allocation, constraints analysis, AFFH issues, and input from the community, consultant team, and decisionmakers, the Housing Element articulates five goals to shape policies and programs over the next eight years as follows:

- <u>Goal 1 Production</u>. Facilitate and support the production of new housing at all income levels, but especially affordable housing. Twenty-one policies and 37 implementing actions have been identified to support this goal.
- <u>Goal 2 Preservation</u>. Preserve existing housing that is affordable to lower- and middle-income residents. Six policies with 10 implementing actions have been identified to support this goal.
- <u>Goal 3 Protection</u>. Protect current residents to prevent displacement. Seven policies with 16 implementing actions have been identified to support this goal.
- <u>Goal 4 Promotion</u>. Promote social resilience through public education and community outreach to make information more available and accessible. Five policies with 10 implementing actions have been identified to support this goal.
- <u>Goal 5 Affirmatively Furthering Fair Housing</u>. Address the issues of fair housing, equity and access while reinforcing the objective that affirmatively furthering fair housing is both a stand-alone priority and decisively inseparable from achieving the Housing Element's other goals. Fourteen policies with 16 quantified objectives have been identified to support this goal.

To support attainment of the five goals, each policy identifies the lead department, funding source if known, target work plan or program measure, implementation action(s), and a timeline, to provide an adequate level of specificity and accountability. Individual action items associated with some of these policies and programs account for City priorities and resources over the eight-year cycle and will be considered independently for adoption by Council through appropriate community engagement and environmental review.

# Sites Inventory and RHNA Strategy

The purpose of the adequate sites list (Sites Inventory) is to evaluate whether there are sufficient sites with appropriate zoning capacity (density) to meet the City's RHNA goal. The Sites Inventory analysis was established based on development trends in the City over the last 5-10 years of consolidation and redevelopment of under-utilized sites, expressed interest or applications from developers and letters from property owners. However, it does not dictate where residential development will actually occur or what owners must do with their property.

The City used a conservative methodology to estimate the development potential of each property included on the Sites Inventory based on the criteria established by State law, development/redevelopment feasibility, site constraints, zoned capacity versus real capacity, prior project history, and developer/owner interest. The Sites Inventory in Appendix C of the Housing Element (Attachment 8) was updated to create site specific data sheets for some of the larger sites to adequately demonstrate their suitability for housing development and to provide additional information and analysis to support inclusion on the Sites Inventory. Based on this analysis, the City has capacity for potential development of up to 9,934 housing units, or 142% of the City's RHNA. Table 2, on the following page, provides a summary breakdown of the properties included on the Sites Inventory by income category and opportunity area.

Housing Opportunity Areas	Total Units	Very Low	Low	Moderate	Above Mod.	Pipeline
Bridgepointe	1,105	220	168	162	555	-
Hillsdale Station South	2,593	627	379	407	1,180	18
101/92 Interchange	2,452	455	221	248	1,528	961
Other Sites	3,784	570	473	500	2,012	1,936
ADUs	440	22	132	220	66	-
Totals	9,934	1,894	1,373	1,317	5,350	2,915
RHNA	7,015	1,777	1,023	1,175	3,040	-
Buffer	<b>2,919</b> (42%)	<b>177</b> (7%)	<b>350</b> (34%)	<b>142</b> (12%)	<b>2,310</b> (76%)	-

### Table 2 - San Mateo Sites Inventory Breakdown

Note: The pipeline project numbers are based on information as of December 30, 2022. Number of pipeline units may change over time based on project applications.

Most of the properties listed on the Sites Inventory are located within one of the ten General Plan Study Areas that are being evaluated for change and increased density as part of the City's General Plan Update process. The draft land use map increases land use densities within the Study Areas from 35-50 units per acre to 50-200 units per acre and adds capacity for up to 21,900 new housing units. Adoption of the updated General Plan, which is targeted for the end of 2023, would increase density on most of the housing sites and significantly increase development capacity and the City's RHNA buffer.

# Affirmatively Furthering Fair Housing

Affirmatively Furthering Fair Housing, or AFFH, means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. California law, as established by AB 686, requires all public agencies to "administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and take no action inconsistent with this obligation." The law also requires housing elements to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

For the City of San Mateo, a Fair Housing Assessment prepared by 21 Elements, a countywide jurisdictional collaborative, describes fair housing enforcement and outreach capacity, integration and segregation, access to opportunity and disparate housing needs as contributing factors that needed to be addressed in the City's fair housing action plan. In response to this analysis, as well as community input, an Affirmatively Furthering Fair Housing Action Plan, which details how the City proposes to respond to the factors contributing to the fair housing challenges identified in this analysis, was developed. The Action Plan is included in Appendix D of the Housing Element (Attachment 9) and the policies and programs to implement the Action Plan are included in the Housing Plan under Goal 5.

The updated draft of the Housing Element released on December 30, 2022 includes an extensive new narrative on a variety of topics in response to HCD comments, including more information on the history of the City's development; the prioritization of contributing factors; detail on fair housing legal cases and inquiries; data on changes in racial composition in the City; enhanced discussion of special needs groups; and greater analysis of Racially/Ethnically Concentrated Area of Poverty (R/ECAPs) and Racially Concentrated Areas of Affluence (RCAAs). The additional analysis confirmed the conclusions of the original fair housing analysis and did not present new information that would trigger additional AFFH

#### programs.

### Public Outreach Summary

To support the preparation of the Draft Housing Element, a robust and inclusive community outreach and engagement process was initiated in the summer of 2021 and has been ongoing for the past 18 months. During this time, the City has conducted 19 public and community meetings and workshops, five intercept/pop-up events, four surveys, and conducted additional community engagement through partnership with 21 Elements. This is in addition to the many General Plan Update related public outreach activities during this period that have also included significant discussions around housing related topics. The outreach efforts have included an emphasis on connecting with community members for whom English was not spoken at home, renters, those under 45 years of age, low-income and very low-income households, people with disabilities, seniors, single female heads of household, people experiencing homelessness, and those from underrepresented neighborhoods. Themes that were incorporated into the Housing Plan included production of more missing middle housing, more outreach and education to tenants and landlords, streamlining and simplifying development review and permitting processes, establishing programs to address fair housing and equity, and ensuring that new housing is sustainable and addresses climate change. All public comments and input received as part of the Housing Element outreach and engagement activities are included in Appendix F – Public Participation (Attachment 11).

# Summary of Public Comments Received

Since the publication of the Revised Draft Housing Element on December 30, 2022, the City has received 18 written comments from individuals and organizations, including the Housing Action Coalition and the Sierra Club Loma Prieta Chapter. The comments expressed concerns about the feasibility of the properties on the sites inventory, concerns about too much housing being allowed as well as concerns about the location of new housing construction. In addition, several comments expressed support for the adoption of the Housing Element. During the January 12, 2023 Planning Commission public hearing, nine speakers provided comments. Speakers included representatives from One San Mateo, the Housing Action Coalition and the Carpenters Union. Comments expressed included concerns about the timing to implement Policies H3.4 and H5.4.1 to expand tenant protections, adding a policy about hiring local union labor and the need to identify more properties for the sites inventory. Written public comments are included as Appendix G – Public Review Period Comments (<u>Attachment 12</u>).

# Revisions in Response to Public Comments

In response to the public comments received, staff is recommending that the Housing Element be updated to address some of the issues identified and to provide further clarification. The recommended revisions are as follows:

- Update Policy H1.2 (Utilize Public Funding <u>and Properties</u> for New <u>Affordable</u> Housing) to include two new programs:
  - o Support new affordable housing on the City owned parking lot at 4th and Railroad as part of the publicprivate partnership (Bespoke project)
  - o Support affordable housing development on the City owned property at 4142 El Camino Real (0.32 acres)
- Update Policy H1.7 (Update Zoning Code Development Standards) to include a new program:
  - o Amend the Zoning Code to make residential uses allowed in C2, C3, E1 and E2 for non-R Overlay areas without a special use permit as currently required
- Add a supplemental table in Appendix C to clarify and consolidate evidence to support development feasibility and realistic capacity (density) of each site in the Sites Inventory

It should also be noted that the City owned parking lot at 5th and B (adjacent to Ravioli House) is not on the Sites Inventory and not anticipated for development this cycle.

# Planning Commission Review and Recommendation

During the January 12, 2023 Planning Commission public hearing, the Commission provided input on the Revised Draft Housing Element. The Commission expressed concerns about the sites inventory and methodology, including that the realistic capacity was not calculated in accordance with HCD guidance and that substantial evidence does not support housing development feasibility. In addition, the Commission expressed concerns that the Goals, Policies and Programs have not been adequately revised to address HCD's comments, do not provide a significant commitment for implementation and do not fully meet AFFH requirements. The Commission voted 3-0 (with two commissioners absent) to recommend that the City Council not adopt the Revised Draft Housing Element for the Sixth Housing Cycle (2023-2031) based on the concerns outlined above and as further described in the Planning Commission Resolution, which is included as Attachment 2.

# HCD Comments and Housing Element Revisions

Preparation of the City's Housing Element initially started in 2020, with the community engagement process starting in the summer of 2021. The draft Housing Element was published at the beginning of April 2022, with the 30-day Public Comment Period between April 6, 2022 and May 6, 2022. The draft was reviewed by the Planning Commission at public meetings on April 26, 2022 and May 3, 2022, with City Council review and direction provided at a public meeting on May 23, 2022.

Staff revised the draft Housing Element based on Council's direction and on July 1, 2022, the draft 2023-2031 Housing Element was submitted to HCD for its first review (90-day review period). HCD completed its review and provided a first review letter with their feedback and comments on September 28, 2022 (Attachment 4).

On November 7, 2022, the City Council held a study session to review and discuss HCD's comments on the draft Housing Element and provide staff with direction. HCD provided several comments which had the potential to result in significant changes to the goals, policies and programs that Council has previously reviewed and provided feedback. Council directed staff to take the necessary steps to strengthen the language in the Housing Element to address HCD's comments. Staff responded to HCD's comments and published a revised Housing Element on December 30, 2022, for a 10-day public review period, while only seven days are statutorily required.

The summary below highlights some of edits by topic area that were requested by HCD as part of their review and a description of the updates made to the Housing Element to address these comments.

- 1. Affirmatively Furthering Fair Housing:
  - a. Appendix D of the Housing Element has been updated as follows:
    - i. Includes more information on the history of the City's development and the prioritization of contributing factors.
    - ii. Provides more detail on fair housing legal cases and inquiries.
    - iii. Expands on data on changes in racial composition in the City.
    - iv. Includes an enhanced discussion of special needs groups.
    - v. Provides a greater analysis of R/ECAPs and RCAAs.
- 2. Other Housing Needs:
  - a. Appendix A of the Housing Element includes more information regarding extremely low-income households, overpaying households and housing costs
  - b. A section was added to highlight the need for missing middle housing and identifies the various policies and program measures that address this issue.
- 3. Housing Sites Inventory:
  - a. Includes more detail on pipeline projects that are under review, approved, or being constructed.
  - b. Developed a more detailed narrative by explaining each site individually and outlines basis for the realistic capacity calculation.
  - c. Added information regarding affordable housing projects in the pipeline and proposed on City land through a public private partnership effort.
  - d. Updated narrative and methodology section for development on nonvacant sites and added background information on age/size of building demolished for recently entitled development, existing versus allowable floor area, etc.
  - e. As noted above, the Sites Inventory has been updated to remove three sites (development feasibility during this cycle), add two new sites (pipeline projects) and adjusted the realistic capacity of two sites (Hillsdale Mall and Borel Square) and ADU production during this cycle. As a result, the Sites Inventory now has identified sites with a capacity to develop up to 9,934 new units, or 142% of the City's RHNA.

- f. Updated the Sites Inventory with additional detailed descriptions of existing uses and maximum redevelopment potential, including referencing developer/owner interest and potential expanded capacity through the General Plan Update process, expected to be completed in 2024.
- g. Added a new policy for outreach to owners of properties on the Sites Inventory.

### 4. Zoning:

- a. Reviewed existing requirements and constraints analysis against State law based on HCD's comments.
- b. Added AB 139 discussion and program to address emergency shelter parking requirements.
- c. Policy H3.7 was updated to allow Low Barrier Navigation Centers in areas consistent with Government Code section 65660.
- d. Reviewed existing Zoning requirements for Single Room Occupancy (SRO) units, Manufactured Housing, and Accessory Dwelling Units (ADUs), and updated draft program language where appropriate.

### 5. Constraints Analysis:

- a. Updated Appendix B to add more information on the City's land use controls and how they do or do not impact housing development to tie them to the proposed programs.
- b. Updated the constraints analysis to evaluate open space requirements in the R-3 zone and design review constraints and amended policies H1.8 and H1.13 accordingly.
- c. Added additional information about the General Plan Update (GPU) and how Measure Y will be addressed as part of the GPU adoption process in 2023/24.
- 6. Goals, Policies and Programs:
  - a. Updated and clarified timelines for various programs.
  - b. Implementation timelines were revised for various programs per HCD's comments, with many of the implementation timelines moved up to the front end of the Housing Cycle.
  - c. Added two new policies to Goal H1 (Production) and one new policy to Goal H4 (Promotion). Many of the policies and program measures under all five goals were revised to provide additional clarity and to address constraints.

The draft resolution for the City Council's adoption of the Housing Element (Attachment 1) demonstrates how the Housing Element conforms with State law. Specifically, Exhibit A shows how the Housing Element conforms with each applicable provision in the State's housing element statutes, and Exhibit B provides a response to each of HCD's comments.

### Findings for Adoption

The following section outlines the required findings for adoption of the updated Housing Element and HCD's required changes, including information on the City's response. As required by California Government Code 65354 and Municipal Code Section 27.06.040(b), the Planning Commission shall make a recommendation to the City Council for all General Plan Amendments. As described above, the Planning Commission made a recommendation for the City Council to not adopt the Housing Element. Staff recommends that the City Council adopt the 2023-2031 Housing Element based on the following key findings and as further expanded upon in the proposed City Council resolution. Under Government Code 65356, a recommendation for approval must be made by a majority of the total membership of the City Council (three votes).

1. The 2023-2031 Housing Element, as updated, is internally consistent with the City's 2030 General Plan.

2. State Law (Government Code Sections 65580-65589.11) – To be in substantial compliance with State law, a housing element must contain all of the elements mandated by State housing element law (See Fonseca v. City of Gilroy (2007) 148 Cal.App.4th 1174, 1191-92). Exhibit A in the proposed City Council resolution, Conformance of Housing Element with State Law Requirements, demonstrates that the City of San Mateo's 2023-2031 Housing Element contains each of the elements mandated by State law.

3. HCD Review Letter – Outstanding Comments – Pursuant to Government Code Section 65585(b), HCD reviewed the draft Housing Element and reported the results of its review. HCD's comment letter requested additional background information and further analysis in several areas of the Housing Element, including the feasibility of future housing sites, fair housing policy, housing goals, policies, and programs and removing constraints to building housing. HCD's comments and the City's responses to each comment are included in Exhibit B of the proposed City Council resolution.

### **NEXT STEPS:**

The following summarizes the next steps and anticipated timeline for approval and certification of the Housing Element:

- January 24, 2023 City Council review and adoption of Housing Element
- January 31, 2023 Submit adopted Housing Element to HCD for certification

Following City Council adoption, the Housing Element will be submitted to HCD for final certification. Housing elements are required to comply with current State housing element law for the sixth housing cycle (2023-2031) on the established due date, which is **January 31, 2023** for the Bay Area region. If a sixth cycle housing element has not been locally adopted by this deadline, the housing element would likely be deemed out of compliance with State law by HCD. Until recently, it was a widely held assumption across the state that the 120-day grace period outlined in State law would apply to housing elements still being reviewed by HCD or being updated by local jurisdictions in response to HCD comments. However, HCD has recently taken the position that the grace period does not apply beyond the January **31**, 2023 deadline, and any jurisdiction without an adopted sixth cycle housing element would be deemed out of compliance.

It should be noted that in some circumstances, HCD certification is not required for a housing element to be found substantially compliant with State law. If HCD determines that a housing element does not substantially comply with State law, a jurisdiction must either revise the document to implement HCD requirements or adopt its own findings explaining why it complies with the statute despite HCD's comments. Thus, a local jurisdiction can continue to work with HCD to achieve certification of its adopted housing element after the deadline, without being deemed out of compliance. City staff believes that the revised draft Housing Element implements all changes requested by HCD and is consistent with State law, as extensively documented in the proposed City Council resolution.

In the Sixth Housing Element cycle, jurisdictions face a number of new consequences for not having a certified Housing Element. Under legislation enacted in recent years, if a city does not comply with State housing law, HCD may refer the city to the Attorney General. Significant fines may be imposed if a city does not comply with a court order for one year. A court finding a housing element inadequate may limit local land use decision-making authority until the jurisdiction brings its housing element into compliance, or local governments may lose the right to deny certain projects due to the "Builder's Remedy" provision in the Housing Accountability Act (HAA). According to the HAA, if a jurisdiction has a noncompliant housing element, the city or county must approve any housing development project, regardless of the local General Plan and Zoning requirements.

Conversely, an HCD-certified housing element makes cities eligible for, or with higher priority for, numerous sources of funding, such as the Permanent Local Housing Allocation, Affordable Housing and Sustainable Communities Grants, SB 1 Planning Grants, CalHOME Program Grants, Infill Infrastructure Grants, Pro-Housing Design funding, Local Housing Trust Funds, and Regional Transportation Funds (such as MTC's OneBayArea Grants).

As such, staff recommends that the City Council adopt the Housing Element in January, which can then be submitted to HCD by January 31, 2023. After the Planning Commission made their recommendation, there was a required 10-day public noticing period between the Planning Commission public hearing and the City Council public hearing, which further added to the Housing Element adoption timeline. Therefore, staff recommends that the Council adopt the resolution (Attachment 1) regarding the adoption of the Housing Element at the January 24, 2023 public hearing.

# **BUDGET IMPACT:**

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Although there are no direct budgetary impacts to taking this action, the preparation of the 2023-2031 Housing Element document has involved a significant amount of City staff time and the use of consultants. The preparation of the Housing Element is primarily funded by the City's Advanced Planning Fund (Fund 25, through a fee collected with each building permit), with some State grants funds also being used for outreach and environmental review. To implement the Housing Element, a funding source is identified with each policy, and the Community Development Department will identify and allocate appropriate staff and budgetary resources to complete each effort.

# **ENVIRONMENTAL DETERMINATION:**

As described in Attachment 3, this Housing Element is not a project subject to CEQA, because it can be seen with certainty

that it will not cause a physical change in the environment, as there are no rezonings proposed (Public Resources Code Section 21065). The proposed adoption of the 2023-2031 Housing Element is considered exempt under the "common sense" exemption under state CEQA Guidelines Section 15061(b)(3) because the project involves policies, programs, and actions to meet the City's RHNA and AFFH goals that would not have any potential for causing a significant effect on the environment, and identifying programs and actions that could remove constraints and promote affordable housing development. Because the City does not have to rezone any sites or make any physical improvements to adopt the Housing Element, it can be seen with certainty that there is no possibility that the Housing Element would have a significant effect on the environment. Thus, the General Plan Amendment to update the Housing Element for the Sixth Housing Cycle (2023-2031) is exempt from CEQA under the common sense exemption. Preparation of documentation to support this CEQA determination has been provided (Attachment 3) for consideration of the Housing Element by the Planning Commission and City Council for adoption.

# NOTICE PROVIDED

All meeting noticing requirements were met. A public hearing notice for consideration of the Draft Housing Element at the January 12, 2022 Planning Commission special meeting was published in the San Mateo Daily Journal on December 30, 2022, January 4, 2023 and January 9, 2023. In addition, a public hearing notice for consideration of adoption of the 2023-2031 Housing Element at the January 24, 2023 City Council special meeting was published in the San Mateo Daily Journal on January 14, 2023. Notice of updated Housing Element availability was displayed on the home page of the City's <u>website</u>, posted to the City's Housing Element <u>website</u> and a physical copy was made available at City Hall and the Main Library. Notice of updated Housing Element publication was also included in the City's E-Newsletter and sent out to various email distribution lists, including the Housing Policy, Housing Element and General Plan Update email distribution lists.

### **PUBLIC COMMENTS:**

Appendix F in the Housing Element (Attachment 11) includes community feedback, communications and documentation that support the Housing Element preparation. All public comments submitted since the publication of the Revised Draft Housing Element on December 30, 2022 are included in Appendix G (Attachment 12), which also includes all comments received during the initial 30-day public review period (April 6, 2022 to May 6, 2022). Public comments submitted after the publication of the January 24, 2023 meeting agenda packet are posted to this item on the City's <u>Public Meeting Portal</u> as "Post Packet Public Comments."

### ATTACHMENTS

- Att 1 Proposed Resolution
  - Exhibit A Compliance with Statutory Provisions
  - Exhibit B Revisions in Response to HCD Comment Letter
- Att 2 Draft Planning Commission Resolution
- Att 3 Housing Element CEQA Determination
- Att 4 HCD First Review Comment Letter
- Att 5 2023-2031 San Mateo Housing Element (Updated)
- Att 6 Appendix A Needs Analysis
- Att 7 Appendix B Constraints Analysis
- Att 8 Appendix C Housing Resources and Sites Inventory
- Att 9 Appendix D Affirmatively Furthering Fair Housing
- Att 10 Appendix E Review of Prior Housing Element
- Att 11 Appendix F Public Participation
- Att 12 Appendix G Public Review Period Comments
- Att 13 Supplemental Table HCD Sites Inventory List ADDED 2:05PM ON 1/24/2023

### STAFF CONTACT

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