

City of Encinitas - Draft Housing Element

Overview

- May 2015 -

I. Introduction

The City's current Housing Element document has not been comprehensively updated since 1992. A lot has changed since that time, and the current goals, policies, programs and existing conditions need to be modified to address more relevant issues and recent changes to State Housing Element Law. Understanding the public interest in this issue, it was recognized that public awareness and participation needed to be at the core of the Housing Element update process. Therefore, a considerable amount of time and resources were utilized to reach many audiences to develop a Housing Element that had meaningful and effective public participation.

Housing Element Law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. With significant community input, the City of Encinitas recently developed a preliminary set of programs to meet these needs. The overall strategy consists of potential amendments and revisions to the City's Housing Element that meets all of requirements covered by State Housing Element law. Because the scope of Housing Element law covers many housing-related issues, this executive summary has been prepared to facilitate the Department's review of the City of Encinitas draft Housing Element (2013-2021).

II. Outreach Effort - Approach to Meeting Housing Element Law

Each of the five Encinitas communities has its own identity, and the City developed a public participation plan to take into account that a one-size-fits-all approach to housing will not work. Because of this, the outreach was tailored to fit the unique characteristics of each community. To seek community-specific input, City staff identified potential housing sites in each of Encinitas' five communities and gave the public the opportunity to weigh in on each community. Information about housing sites and types were presented with materials that included visual representations about the need for future housing, how future housing can respond to existing community characteristics, and where future housing could be located within the City. Efforts were also made to seek feedback on community character, what characteristics stakeholders want to preserve, and what characteristics stakeholders want to introduce.

All public input on the Housing Element Update was collected through e-Town Hall, the City's online engagement tool. City planners also hosted Community Dialogue Sessions to provide information about the Housing Element Update and facilitate input on the plan. Input was collected via e-Town Hall at the meeting, or they could do it at a time and location that was convenient to them. For underrepresented groups, planners brought the project to them and assisted those groups with providing their input via e-Town Hall. Therefore, the City created a process that provided a convenient and easy way for people to share their opinions.

This outreach effort resulted in a strong participation level, with more than 40 community group meetings and presentations conducted; nearly 500 participants attending the Community Dialogue Sessions; and more than 1,300 responses collected on the online forum - an amount of public input that would equal about 24 hours of testimony. The exceptionally rigorous and broad public engagement process produced an unprecedented level of participation for an update to a housing plan. Due to these efforts, the City has already been recognized for its outreach approach - recently receiving SDAPA and CAPIO outreach awards. More than the impressive amount of input received, the quality of responses helped identify community-supported solutions for updating the Housing Element. Clear themes emerged to guide the development of the draft document and to further strengthen the outstanding quality of life residents and businesses enjoy in Encinitas.

After many months of outreach and receiving public input, the Encinitas City Council reviewed the process of developing the draft Housing Plan and walked through the draft implementation programs during a series of meetings in January, February and March. At their last meeting, the City Council directed that the draft plan be analyzed in an Environmental Impact Report and submitted to the Housing and Community Development Department (HCD) for review.

As submitted, the draft Housing Element identifies three potential land use mapping strategies. Each one of these alternatives can fully accommodate RHNA. Currently, the City Council is still considering the appropriate mix of sites and associated housing types sites to be rezoned as a part of the Housing Element Update process. There will be additional opportunities for the public to comment on the housing strategy map(s) prior to the Council deciding what to forward to the voters.

III. Document Format

The City's draft Housing Element is broken down into three main sections: Introduction; Goals, Policies, and Programs; and Housing Plan. Below summarizes the purpose of each section and outlines staff's approach to editing/amending each respective section.

Introduction of the Housing Element: The purpose of the introduction section is to set the format and organization of the Housing Element. The section includes components such as a purpose statement and an overview of the public participation and engagement. Much of the existing text was outdated so it was replaced as needed to reflect current data and/or circumstances.

Housing Element Goals, Policies, and Programs: This section begins with the goals and policies that express the City's values on a number of important housing-related issues. Updates to this section were made largely to reflect changes in State Housing Element law or other circumstances.

This section also includes a list of implementation programs, which are being proposed to show how the City intends to implement the established goals and policies over the planning period. It describes the programs that will be taken to make sites available during the planning period to accommodate the city's share of regional housing need for each income level. It provides an opportunity to plan for future housing in a thoughtful manner to ensure that it will be compatible with the community and will provide community benefits. The overall program presents an opportunity to reinforce the outstanding qualities that make Encinitas a special place and to address deficits.

The implementation section also describes how the City will address affordable housing, constraints, conservation opportunities, equal housing opportunities, and "at risk" housing. A total of 21 programs are proposed in the Implementation Program section - three are existing programs requiring no change, seven are existing programs requiring update, and 11 are new programs.

Housing Plan: This section assesses the factors that affect future housing such as population projections, employment market, household characteristics, and special needs groups, just to name a few. The plan also lists the constraints to housing such as market constraints (i.e. economic factors, land and construction costs, financing availability), governmental constraints (i.e. land use controls, permit fees) and environmental constraints (seismic safety, flooding, storm water management, school and education, fire and emergency services). It is

important to note that the updated Housing Element acknowledges that the things which impact housing today are very different from the factors and challenges experienced in the early 1990s, when most of this section was originally written.

IV. Key Focus Areas for Review

Some of the key areas the City suggests that HCD staff should prioritize in their review include the following:

1. Adequate Sites

(1A) Accommodate RHNA (housing sites) – updated/required

- 25 dwelling units per acre (maximum);
The City has provided an analysis demonstrating how the adopted densities accommodate the regional housing need for lower income households. This analysis shows that a density of 25 units per acre best achieves housing opportunities to lower income households in the City of Encinitas.
- 20 dwelling units per acre (minimum);
- A mixture of two and three story structures;
- Mixed use emphasis;
- Yield assumptions for proposed sites; and
- Adequacy of all potential sites to accommodate RHNA (not all sites proposed will ultimately be needed for RHNA).

(1B) Design Standards/Guidelines/Zoning – new/recommended

- Being developed concurrently during EIR preparation

(1C) Accessory dwelling units– updated/recommended

- Modify development standards to remove barriers

2. Affordable Housing Opportunities

(2D) Market Based Approaches – consider/new

- Maximum average unit size
- Unbundle parking from housing near transit

Please note that the annotated summary above does not itemize every new program – that is, conservation opportunities, equal housing opportunities, and “at risk” housing programs are also adequately addressed in this Housing Element update.

V. Project Schedule

City Council recently directed that the draft plan, as well as the three land use strategy map alternatives, be submitted to HCD for review. Now that the environmental review process has begun, it is anticipated that the next steps in the process include the following.

- **Spring-Fall 2015:** City will prepare the Draft Environmental Impact Report
- **Mid-2015:** Public outreach will occur on proposed zoning and design guidelines that implement part of the Housing Plan
- **Late 2015 to Early 2016:** Draft Environmental Impact Report will be released for public review and comment
- **Late 2015:** Draft zoning and design guidelines will be made available for public comment
- **Spring 2016:** The Housing Plan is anticipated to be voted on by the Encinitas City Council.
- **Fall 2016:** The Housing Plan is anticipated to be voted on by the general public.

VI. Conclusion

The following table presents an overview of the RHNA calculations, AB1233 Carryover Penalty, and potential capacity based on the existing land use inventory and associated City programs.

	Extremely Low/Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA (2013-2021)	587	446	413	907	2,353
RHNA Penalty (2003-2010)	250		--	--	250
Units Built/Approved	26	25	--	377	428
Remaining RHNA	1,232		413	530	2,175
<i>Sites Available</i>					
Preserved Mixed Use Areas			551	20	571
Preserved Residential Areas	124		0	1,283	1407
Accessory Unit Production	146			121	267
Total Potential Capacity Based on Existing GP and Accessory Unit Production	270		551	1,424	2,245

Remaining RHNA	962	0	0	962
<i>Changed Areas</i>	<i>TBD - based on further community discussion</i>	--	--	<i>TBD</i>
Total Capacity Over RHNA	TBD			TBD

After the draft Housing Element and associated land use map strategies are analyzed in an Environmental Impact Report, the results will be available for public comment and returned to the Planning Commission for recommendation, and then City Council for further action. We look forward to the Department's determination and hope that any written findings will help advance the City's ability to comply with all statutory requirements and lead to greater community consensus. Therefore, our ability to communicate the City's rezoning needs is largely predicated on the Department's determination on remaining RHNA obligations.

We also ask for written clarification on the four-year cycle requirement, given that the project's milestones fall on the four-year cycle update schedule. The City's position is that this proposed update would cover all requirements associated with the 5th cycle, also satisfying the requirement that the City revise the element at four-year intervals. The four-year update revision update is months after the anticipated adoption of the draft Housing Element in November 2016, subject to voter approval. This would be counter-productive. Please note that we are intending to concurrently rezone sites and adopt related code amendments, which means the City will not take years to implement the plan. This makes the update only one-year late.