

1 INTRODUCTION

INTRODUCTION AND BACKGROUND

The California State Legislature identified the attainment of a decent home and satisfying environment for every resident of the state as a goal of the highest priority. Recognizing that local planning programs play a pivotal role in the pursuit of this goal, and to be sure that local planning effectively implements statewide housing policy, the legislature mandates that all cities and counties include a housing element as part of their adopted local general plans. Section 65302 (c) of the Government Code requires the preparation of a Housing Element.

ORGANIZATION OF THE HOUSING ELEMENT

Housing Elements are generally made up of two major parts. The first consists of an evaluation of the housing needs and opportunities of the community. The second is a course of action to provide for those needs.

In preparing part one, several different types of data are examined.

- To begin, basic socioeconomic data is analyzed to describe the people of the community and their housing needs. Special emphasis is given in the analysis to groups with unique housing needs: the disabled, the elderly, large families, female headed households, and people in need of emergency shelter and transitional housing.
- The existing housing stock in the community is evaluated. Included is an analysis of the condition of the community's housing stock, the availability of units to serve all types of families, and the availability of units to serve all income levels.
- The potential for development of new housing within the community is studied. This includes data on vacant or underutilized residentially zoned property, potential for reuse or redevelopment, and potential housing development on other types of property.
- The factors that constrain the development of new housing are analyzed. Included are governmental constraints (land use controls, building codes, development application procedures and fees, infrastructure availability) and non-government constraints (price of land, cost of construction, and availability of financing). In addition, the state requires all jurisdictions to address opportunities for energy conservation in the housing element.

Part two is a course of action that responds to identified housing needs by establishing goals, policies, and programs. The programs of each jurisdiction are required to address the following subjects:

- Adequate sites to meet housing needs;
- Development of very low, low and moderate-income housing;
- Governmental and non-governmental constraints;
- Conservation and improvement of the existing housing stock, including previously assisted housing that may become eligible market rate housing;
- Equal housing opportunities;
- Other identified housing needs.

Each of the housing programs must quantify objectives, identify the individuals or agencies responsible for carrying out the program, and propose an implementation schedule.

RELATIONSHIP OF THE HOUSING ELEMENT TO OTHER PLANS

In addition to the Housing Element, there are several other plans which either directly or indirectly affect the development of housing. These include other elements of the city's General Plan, Consolidated Plan, and Urban Water Management Plan, as well as the county's Airport Land Use Plan and Congestion Management Plan.

The General Plan

The California Government Code requires that every city and county prepare, adopt, and implement a general plan for community development. The general plan must include a statement of development policies, diagrams, and text setting forth objectives, principles, standards and plan proposals. There are seven mandatory elements required by state law – land use, circulation, housing, conservation, open space, noise, and safety – which may be organized as desired by a city as long as all required topics are addressed.

The Redwood City *Strategic General Plan* is a statement of policy for the physical development of the city that provides a vision of the future, aimed at improving the quality of urban life in the city and maintaining those features that make Redwood City unique and desirable. The mission statement emphasizes an awareness of the city's heritage and community assets, and encourages public participation in decision making. It urges the promotion of public health, safety, general welfare, urban beauty, and civic pride. The mission statement concludes with the recognition of the cultural and economic diversity of the city and endorses the preservation of its stability and well-being as hallmarks of a good place to live.

The Redwood City *Strategic General Plan*, adopted in 1990 and amended from time to time, set seven goals:

1. Integrate a range of land uses to ensure that Redwood City is a desirable place to live.
2. Manage and improve the transportation system for optimal use by public transit, automobiles, bicycles, and pedestrians.
3. Provide safe and sanitary housing opportunities in suitable locations for all segments of the population.
4. Reserve open space areas within the urban complex to enhance the value of other lands and the quality of life in the community.
5. Orchestrate lead roles in environmental preservation, air and water quality, wildlife protection, resource recovery, and cultural enrichment in concert with economic development.
6. Verify the safety of all buildings and other facilities in the city against seismic and other hazards.
7. Establish maximum tolerable limits for point noise sources and ambient noise levels.

The Housing Element leads to the achievement of housing goals and provides for an adequate number of sites and infrastructure to meet Redwood City's share of regional housing needs. The Housing Element has been reviewed to ensure consistency with the other elements of the General Plan.

The Consolidated Plan

The Consolidated Plan is required as a condition of receiving Federal Community Development Block Grant entitlements and HOME Partnership Program Funds authorized under Title I, Housing and Community Development Act of 1974, 42 U.S.C. 5301, and the Title I, Cranston-Gonzalez National Affordable Housing Act. The Plan is designed to shape various housing and community development strategies and facilitates a collaborative process and unified vision between local decision-makers and the community to address local problems comprehensively.

The Consolidated Plan is most instrumental in achieving the City's affordability goals and housing objectives of the Housing Element for low and very-low income households. Annual entitlements of CDBG and HOME funds can be used by the City to implement programs identified in the Housing element, including but not limited to:

- acquire housing sites,
- acquire and rehabilitate existing housing,
- provide down payment assistance for homeownership and rental assistance to tenants,

- subsidize land costs for self help ownership housing, and
- provide subsidies to developers that create affordable housing units.

The Plan requires the City to set housing goals for a five year period and adopt an Annual Action Plan showing how federal funds will be leveraged to provide affordable housing each year of the plan period. Through this requirement, 40% of CDBG funds and 100% of HOME funds are used to promote affordable housing. Other federal funds are used to provide community improvements and infrastructure to improve the livability of low- income neighborhoods.

Urban Water Management Plan 2000

Redwood City adopted the *Urban Water Management Plan Update 2000 (UWMP)* in January 2001 to fulfill the requirements of California Water Code Division 6, Part 2.6 (Urban Water Management Planning). The plan describes the service area of the water supplier (City of Redwood City Water Utility Enterprises), including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates are required to be based on data from the state, regional, or local service agency population projections within the service area and be stated in five-year increments to 20 years or as far a data is available. The plan is required to identify and quantify to the extent practicable, the existing and planned sources of water available to the supplier in five-year increments to 20 years or as far as data is available. The UWMP plan and the Housing Element can become consistent provided that:

- The UWMP is amended in 2001-2002 to conform to the 2000 Census data, the Housing Element update of the General Plan and the Interim Water Shortage Allocation Plan (Resolution No. 14225, 5/14/2001).
- The City Council adopts a *Water Supply Master Plan* for the City of Redwood City by 6/30/2002, which takes into account:
 - 1) The cumulative water demand reductions necessary to bring Redwood City's total annual use in normal supply year conditions to 10.93 million gallons per day, pursuant to the Settlement Agreement and Master Water Sales Contract of 1984, between the City and County of San Francisco and its Suburban Purchasers.
 - 2) The intent and implications of California Senate Bill 221 signed into law by the Governor in October 2001 and effective January 1, 2002.
 - 3) The projected water demand of 2,544 new housing units by 2006, and
 - 4) The cumulative effects on water demand by implementation of water conservation measures, local and regional water recycling, and new external water supplies that may become accessible to Redwood City via the regional water system.

The following section describes the relationship between the Housing Element and other regional plans.

Airport Land Use Plans

Section 65302.3 of the Government Code requires that the General Plan be consistent with airport land use plans. *The San Mateo County Comprehensive Airport Land Use Plan, December 1996* addresses proposed development relative to three airports: San Francisco International, San Carlos, and Half Moon Bay and identifies mitigation measures to be considered. The three major concerns of the San Mateo County Plan are: aircraft noise impact reduction, safety of persons on the ground and in aircraft in flight, and height restrictions/airspace protection. Although Redwood City surrounds the San Carlos Airport of three sides (north, east, and south), the principal impacts are to Redwood Shores, located north of the airport. As described later in the Housing Element, the build out of Redwood Shores occurred in 2001 and the Housing Element does not propose additional housing units in this location. Southeast of the airport in the vicinity of Bair Island Rd., a parcel presently designated and zoned for mixed use (commercial/ residential) could be developed as high density residential, and would be subject to mitigation at the time of proposed development. Other land for reuse or redevelopment as residential would not be impacted by the San Carlos Airport, unless the development was proposed to be very tall in which case it would be required to comply with the height restrictions in the airport plan. The *San Mateo County Comprehensive Airport Land Use Plan* is being updated at the time of this writing.

The San Francisco International Airport Land Use Plan does not affect development in Redwood City according to the staff of the San Mateo County Airport Land Use Commission (C/CAG).¹

Due to the requirement for consistency, the Airport Plan can have an impact on both the development of housing and on the cost of residential development due to the inclusion of noise attenuation features.

Congestion Management Program

The *1999 Congestion Management Program (CMP)* adopted by the City/County Association of Governments of San Mateo County require local jurisdictions to ensure that traffic impacts on the regional transportation roadway network are fully mitigated. Projects that will generate a net 100 or more peak period trips on the CMP network and that are subject to discretionary city approval are required to reduce and eliminate the traffic impacts of development. Traffic impacts can be reduced or eliminated through a variety of measures, or by paying a high traffic impact fee. Due to the requirement to reduce and eliminate these traffic impacts, the Congestion Management Program can have a great impact on both the development of housing which generates 100 or more peak period trips and on the cost of residential development. There is a public policy conflict with trying to promote more housing, particularly affordable housing and imposing traffic impact fees on such development.

FAIR SHARE ALLOCATION PROCESS

Government Code section 65584 requires the determination of existing and projected regional housing needs. The California State Department of Housing and Community Development (HCD) determines the statewide needs for housing and then assigns those needs regionally. The Association of Bay Area Governments (ABAG) examines housing needs across jurisdictional boundaries of 101 cities in the nine county region of San Mateo, Santa Clara, San Francisco, Marin, Alameda, Contra Costa, Napa, Sonoma, and Solano Counties and distributes the assigned regional allocation of statewide needs within the region. Anticipated housing needs through June 2006 have been distributed by ABAG to each city and county (Regional Housing Needs Plan). Each jurisdiction is then required to address at least that projected housing need in its housing element.

In essence, the ABAG Housing Needs Determinations quantify for the region the state legislature's values pertaining to statewide housing distribution and growth. Regional housing needs "take into consideration market demand for housing, employment opportunities, the availability of suitable sites, and public facilities, commuting patterns, type and tenure of housing needs, and the housing needs of special needs groups. The distribution shall seek to avoid further impaction of localities with relatively high proportions of lower-income households."²

The *1999 – 2006 Regional Housing Needs Plan* covered the time frame January 1, 1999 through June 30, 2006, a seven and one-half year planning period.³

¹ Telephone conversation, David Carboni, staff to the San Mateo County Airport Land Use Commission (C/CAG), September 10, 2001

² Government Code Section 65584(a).

³ ABAG used the following approach to allocate the regional "fair share." The methodology uses projections of the growth of housing and jobs developed in 1999 and published in *Projections 2000*. "This growth is weighted 50 percent households and 50 percent jobs ("Jobs/Housing Balance" adjustment) to determine a regional allocation factor (the share of regional growth) to be applied to the "Regional Goal Number" received from HCD. The methodology is further used to distribute a share of housing to each jurisdiction by income category. This portion of the methodology distributes the share of each jurisdiction's need by moving each jurisdiction's income percentages 50 percent toward the regional average."

The resulting requirement set for Redwood City was:

- Very low-income units: 534
- Low-income units: 256
- Moderate-income units: 660
- Above moderate-income units: 1,094

HOUSING ELEMENT LAW

Article 10.6 of the Government Code describes the Housing Element and Section 65583 specifically describes the required contents of the element, which are listed in Appendix A.

PREPARATION OF THE HOUSING ELEMENT

A broad community commitment is essential to the City's ability to establish and carry out programs addressing local housing issues. Accordingly, a key objective of the Housing Element is to increase the public's awareness of the specific housing related needs and problems of the community, as well as programs and projects which will effectively meet those needs. The city's new bi-annual newsletter, which is mailed citywide and new housing web site respond to this need.

Redwood City's Housing Element for the 1989-99 period was reviewed by the Housing and Human Concerns Committee (HHCC), the Planning Commission, and City Council and adopted by the City Council in 2000. Since the information in this Element was recently updated, considered and reviewed, much of it has been carried forward to this Housing Element for the period 1999 to June 30, 2006.

A joint meeting of the Planning Commission and HHCC was held in the Spring of 2001 to discuss the update to the Housing Element for years 1999-2006. A Housing Element Subcommittee was formed, consisting of three members of the HHCC and three members of the Planning Commission. The Subcommittee met over a four-month period to strengthen key programs, such as the program to preserve assisted units at risk of becoming market rate units, and to consider additional programs and sites for the development of housing. The Interim Urgency Ordinance Subcommittee, Downtown Citizen Task Force, city commissions and the public also provided input to the formulation of the new housing programs. In November 2001, the Planning Commission and HHCC also held a joint study session to review the Draft Housing Element. In addition, in December 2001 the City Council held a public hearing to review/comment on the Draft Element. In 2002, additional public hearings before the Planning Commission and City Council will be held on the Draft and Final Housing Element update.

Highlights of new Housing Element programs (since HCD certified the Housing Element in May 2000) include:

- Preparation of a Downtown Area Plan with new housing as its principal objective
- New housing opportunities (residential rezonings) within easy walking distance of the transit center
- New higher density residential zoning district classifications (50-60 units/acre)
- Developer incentives for building housing in mixed use districts
- Citywide distribution of a bi-annual housing newsletter and new housing web site that describe new and on-going housing programs offered through the City
- New ownership housing
- First time homebuyer program
- Efficiency unit affordable housing program
- Incentive program to allocate units to service occupations
- Strengthening the units at risk housing program.

Two suggestions that were considered, but have not been included in this Housing Element and the reasoning for their exclusion are:

- A citywide inclusionary zoning ordinance was considered. Redwood City already has a requirement for inclusionary housing in its redevelopment area as set forth in California Redevelopment Law.⁴ Furthermore, the land encompassed by the *Downtown Area Plan* is entirely within a redevelopment area. Finally, the main goal of the *Downtown Area Plan* is to build a substantial amount of new housing development in the downtown area, thus triggering the inclusionary requirement.

Outside of the redevelopment area, the city intends to use Precise Plan or Development Agreements, where appropriate, to require affordable housing.

- A program to set standards for single room occupancy (SROs) facilities was considered. This suggestion was not included because currently, SROs are permitted in many zoning districts as quasi-public uses. Instead, the City will prepare efficiency unit guidelines tied to the Density Bonus Ordinance to enable small, affordable units to be distributed in any number of residential developments, rather than to concentrate affordable units within a single, individual building. There are some existing SROs in Downtown and the alternative housing type, efficiency units, would better serve the needs of seniors and those with limited incomes who work in Redwood City.

The adoption of this Housing Element is only one step toward ensuring the provision of suitable housing for all of the residents of Redwood City. Continued pursuit of the programs and projects set forth in this Element must take the form of active participation by both the public and private sectors in a variety of projects addressing local housing needs. Solutions to housing problems will only be achieved through a well-coordinated effort among public officials, private owners, lending institutions, developers and the general public, all of whom should be expected to maintain a continuing interest in the local housing environment.



⁴ Redevelopment law requires that over the life of the Redevelopment Plan, the Agency ensure that 15% of all housing units built be affordable to moderate income households; and that 40% of the 15% be affordable to very low income households.