



# Town of San Anselmo

# Staff Report

**TO:** Town Council 10/11/2022 **Item #:** 5.

## FROM:

Heidi Scoble, Planning Director

#### **SUBJECT:**

Housing Element Update and Confirm Housing Opportunity Sites

## RECOMMENDATION

Receive and file Housing Element Update, discuss and confirm the proposed Housing Opportunity sites, and select up to three opportunity sites for visualization renderings to be prepared.

### **BACKGROUND**

Every eight years, every city, town, and county must update the Housing Element of their General Plan and have it certified by the California Department of Housing and Community Development (HCD). The Housing Element addresses a range of housing issues such as affordability, design, housing types, density, and location, and establishes goals, policies, and programs to address existing and projected housing needs. The Housing Element must be internally consistent with other parts of the General Plan and is critical to having a legally adequate General Plan. The Housing Element must also identify how the town will meet its share of the region's housing need, called the Regional Housing Needs Allocation, or RHNA.

As the Housing Element is a planning tool to help local governments make decisions about where safe, accessible, and diverse housing could be developed, in addition to identifying a mix of housing opportunities for a variety of household incomes, it is important to highlight that State law does not require that jurisdictions build or finance new housing.

The Town's RHNA allocation for the 6<sup>th</sup> housing Cycle is 833 Units and is comprised of the following income categories:

Extremely Low Income (0-30% Area Median Income): 127 units

Very Low Income (30%-50% Area Median Income): 126 units

Low Income (50%-80% Area Median Income): 145 units

Moderate Income (80%-120% Area Median Income): 121 units

Above Moderate Income (120% + Area Median Income): 314 units

The HCD will also require the Town to plan for up to a 20% buffer, for a total of approximately 1,000 housing units.

In preparation of the 6<sup>th</sup> Cycle update, the Town Council received a presentation on January 25, 2022

<../../../Users/hscoble/Downloads/Agenda - 2022-09-29T100044.918.pdf> (refer to agenda Item no. 19). The staff report and presentation included an introduction to the Housing Element update, described the key components of a Housing Element, described penalties for noncompliance, described the RHNA process, described the new requirements for the current Housing Element cycle (higher allocations, Affirmatively Furthering Fair Housing (AFFH)) limits on sites, and General Plan Safety Element updates), in addition to presenting a proposed public engagement process, timeline, and identifying possible infill sites within the Town's R-1 zoning districts.

On May 10, 2022 <.../../../Users/hscoble/Downloads/Agenda - 2022-09-29T100936.471.pdf> (refer to agenda item no. 3), the Town Council approved a professional services agreement with Houseal Lavigne for the preparation of the Housing Element and Safety Element, including environmental review.

On <u>June 14, 2022 <../../../Users/hscoble/Downloads/Agenda - 2022-09-29T101200.205.pdf></u> (refer to agenda item no. 4), the Town Council established a Housing Element Advisory Committee (HEAC) that is comprised of two Town Council members, one Planning Commissioner, and four residents.

In anticipation of the establishment of the HEAC, the Town began advertising on the City's website for interested San Anselmo residents to apply. The application period ran from June 8 through June 18. The Town received 10 applications.

On Monday, June 20 and Tuesday, June 21, Mayor Fineman, Councilmember Burke, Town Manager Donery and Planning Director Scoble conducted nine interviews. At the conclusion of the interviews representing backgrounds which include finance and lending, leadership and meeting facilitation, architecture and construction management, and experience in working with diversity, equity, and inclusion, the following applicants were recommended to be appointed to the HEAC:

- Richard Redmond
- Kathy Ogren
- Sandra Becker
- Robin Poppers

On <u>June 28, 2022 <../../../Users/hscoble/Downloads/Agenda - 2022-09-29T101605.245.pdf></u> (refer to agenda item no. 17), the Town Council confirmed the appointments to the HEAC.

Since the appointments, the HEAC has conducted four public meetings on July 11
<../../../Users/hscoble/Downloads/Agenda - 2022-09-29T102825.943.pdf>, July 25
<../../../Users/hscoble/Downloads/Agenda - 2022-09-29T102909.346.pdf>, September 1
<../../../Users/hscoble/Downloads/Agenda - 2022-09-29T102932.504.pdf>, and September 26
<../../../Users/hscoble/Downloads/Agenda - 2022-09-29T102955.315.pdf>. During the meetings, the HEAC has received presentations regarding an overview of the Housing Element update and timeline, an overview of the Brown Act, and discussed housing opportunity sites.

 and provided an overview of the Housing Element and update requirements and process. Approximately a dozen participants attended the Zoom meeting. The August 25 Workshop focused on potential Housing Opportunity sites. Approximately 50 participants attended the workshop. The public comment received at the August 25 Workshop included the following housing site criteria:

- Exclude existing Open Space and prospective Open Space land use designations, parcels that have a history of landslides, R-1-H and R-1-C zoning districts, and the Downtown area (C-2 zoning district).
- Avoid at all possible parcels within the Wildland Urban Interface (WUI)
- Consider possible infill and rezoning of R-1 zoning Districts
- Consider infill for properties within C-3 zoning district between Ross Avenue and Bolinas.
- Consider infill for commercial properties along Greenfield Avenue, Red Hill Avenue, Miracle Mile, Sir Francis Drake.
- Consider infill of school district property.
- Continue to encourage Accessory Dwelling Units.

At the September 26, 2022 meeting, a revised Draft Housing Opportunity Sites map and strategy was presented to the HEAC for consideration (See **Attachment 1** and **Attachment 2**). The map was refined to include all comments raised by the public and past HEAC meetings to the extent practicable (some minor exceptions associated with WUI, sloped greater than 25%, and amendments to existing R-1-H parcels when determined would not adversely impact the intent of the zoning district). Accordingly, the Housing Opportunity sites strategy includes the following:

- Focus housing along the Town's primary arterial roadways.
- Focus housing in close proximity to transit and services.
- Up zone existing densities in C-3, C-L, and R-3 Zoning districts from 20 units to an acre to 30 units to the acre.
- Rezone certain zoning districts from R-1 to R-2 or R-3, rezone certain properties on the east side of Sir Francis Drake Blvd from C-2 properties to C-3 and up zoning certain densities, and rezone certain sites to SPD.
- Amend certain General Plan Land Use Designation maps to address the above item.

**Attachment 2** provides a list of the individual properties, existing conditions, and proposed amendments (e.g., Zoning and/or density). The proposed Draft Housing Opportunity Sites map (see **Attachment 1**) yields 1,025 housing units and appears to meet the criteria and metrics related to the State requirements.

Although the HEAC unanimously recommended to the Town Council to approve the proposed draft Housing Opportunity Sites, there was a lot of discussion from the HEAC members and the public regarding the "Dog Park" located on Tamalpais Unified School District's property known as Assessor's Parcel Number 006-061-37 (no site adjacent and adjacent to 100 Shaw Avenue). Concerns were raised that the Town has limited land available for an alternative Dog Park and it was suggested that the site be excluded from the Site's list.

In addition to the Housing Opportunity Site's list, the HEAC is interested in encouraging additional infill housing throughout the Town and staff has committed to develop policies and programs for consideration at the HEAC next meeting.

The following is list of milestones and corresponding dates related to the next steps:

October 11: Town Council Housing Element Update and Confirm Housing Opportunity Sites and

Identification of areas to be rezoned as part of the Final Housing Element Update.

November 3: HEAC Meeting No. 5- Discuss Draft Policies and Programs

December 12: Public Release and Notice of Draft Housing Element- 30-day public review period

December 15: HEAC Meeting No. 5: Review of Draft Housing Element and provide comments and

recommendation to the Town Council.

December 19: Planning Commission public meeting for the review of the Draft Housing Element and

provide comments and recommendation to the Town Council.

January 10: Town Council public meeting for the review of the Draft Housing Element and

consideration of HEAC, Planning Commission, and public comments to date.

February 3, 2023: Housing Consultant submits document to the State Department of Housing and

Community Development.

## **DISCUSSION**

The purpose of this staff report is to provide an update to the Town Council regarding the current 6th Cycle 2023-2031 Housing Element Update and to confirm the proposed Housing Opportunity Sites. Prior to confirming the proposed Housing Opportunity Sites, staff is requesting the following direction from the Council:

1. Should the Dog Park be excluded from the list of Housing Opportunity Sites?

The Dog Park would yield up to 24 units low-income units. If the Dog Park was removed from the list of housing sites, the remaining Housing Opportunity Sites would yield 1,001 housing units, which is still within the number of housing units the Town is planning for (RHNA + 20% buffer). Since the Housing Element is a planning tool and does not guarantee Housing be constructed, when considering whether to include or exclude the Dog Park, the Council should consider whether it would be important to include the site to provide possible housing opportunities in that general vicinity or whether it makes sense to hold off on the site and consider adding the site for the next Housing Element Update cycle that is expected to begin in circa 2029.

2. Provide Direction on up to three sites for visualization diagrams to be prepared.

In conjunction with the housing sites, through the Regional Early Action Planning (REAP) program sponsored

by the California Department of Housing and Community Development, the Town has been allocated up to \$10,000 in grant funds to prepare visualization diagrams for the Housing Element Update. A visualization diagram is a graphic rendering use for conceptual purposes to show how a site may be developed with the proposed densities and housing type(s). Staff is requesting the Council provide direction to staff for up to three sites where visualization diagrams may be developed. Examples of sites for consideration are the following:

- 1. 305 San Anselmo Ave. (US Bank Site) (APN 007-282-20): 26 Units
- 2. Sunny Hill (APN 006-061-33): 77 Units
- 3. 100 Shaw Dr. (Former Red Hill School) (APN 006-061-36): 21 Units
- 4. 1327 Sir Francis Drake (Archie Williams) (APN 005-231-17): 56 Low Income Units
- 5. 150 Ross Avenue (Wade Thomas School Site)(APN007-281-25): 12 Units
- 6. 121 San Anselmo Avenue (Post Office Site)(APN 007-301-19): Mixed-Use 14 Units
- 7. 100 Red Hill (United Market Site)(APN 006-167-06): Mixed-Use 42 Units
- 8. 100 Center (006-101-04) (Andronico's) and 613 Sir Francis Drake (APN 006-101-05): Mixed-Use 22 and 5 Units respectively.
- 9. 2-3 Units on an R-1 or R-2 Zoned Lot (Generic design on rectilinear lot).
- 10. Redevelopment of a mixed-use development on an existing C-3 or C-L parcel along Sir Francis Drake Blvd., or Greenfield Ave., or Red Hill Ave.

Once the sites are selected, Staff will coordinate with the County to ensure the visualization diagrams are prepared. If the Council finds more than three sites should have visualization diagrams prepared, then Council should direct staff to request a cost proposal and return back to the Council for consideration of an amendment to the current Professional Services Agreement with the Housing Element Consultant.

# **FISCAL IMPACT**

As discussed, approved, and budgeted at the May 10, 2022 Town Council meeting, the fiscal impact for the preparation of the Housing Element and Public Safety Element update is \$283,453.

#### GENERAL PLAN CONSISTENCY

California state law requires all cities and counties to update the Housing Elements of their General Plans on a fixed schedule. The jurisdictions in the Bay Area are in process of planning for the 6<sup>th</sup> Housing Element Cycle (2023-2031). The 6<sup>th</sup> housing Cycle is required to be adopted by the Town Council by January 2023.

# **CEQA AND CLIMATE ACTION PLAN CONSISTENCY**

Approval of the temporary HEAC and appointment of a Council member to serve on the committee is not a "project" under the California Environmental Quality Act, because it does not involve an activity which has the

potential to cause a direct or reasonably foreseeable indirect physical change in the environment. (Cal. Pub. Res. Code § 21065).

# **ATTACHMENTS**

Attachment 1- Draft Housing Opportunity Sites Map Attachment 2- Draft Housing Opportunity Sites List