

# **City Council Agenda Item**

City Council Meeting Date: April 18, 2023

**TO:** Dean Albro, City Manager

**FROM:** Brian Halvorson, Planning Manager

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**SUBJECT:** General Plan Housing Element Update Presentation Summarizing Housing

Elements, State Requirements, and the Contents of the Public Review Draft Housing Element and Receive Input from the City Council prior to Submission of a Revised Public Review Draft to the California Department of Housing and Community Development for Initial 90-day Review (GP 21-

02)

#### **Recommendation:**

Staff recommends the City Council receive a presentation on the Draft General Plan Housing Element Update and provide input to staff prior to submission to Housing and Community Development (HCD).

#### **Background**

On February 24, 2022, the City entered a contract with Mintier Harnish Planning Consultants to prepare the 6<sup>th</sup> cycle (2023-2031) General Plan Housing Element and technical updates to several General Plan elements. Planning Division staff has been coordinating with the consultant, the general public, stakeholders, and various City Departments to draft an updated General Plan Housing Element for the community as required in eight-year cycles prescribed by the State.

The draft Housing Element (Attachment 1) includes both a policy document and a housing needs assessment. The policy document outlines goals, policies, programs, and quantified objectives to meet the identified housing needs through development, rehabilitation, and preservation. The needs assessment identifies and analyzes the existing and projected housing needs, provides a list of sites for housing development that are adequate to accommodate the City's Regional Housing Needs Allocation (RHNA) while documenting constraints to housing production, and analyzes fair housing issues and contributing factors. In short, the needs assessment provides the context for the City's housing action plan.

On March 17, 2023, a formal draft of the Updated Housing Element was released to the public for a 30-day review period in which comments were accepted through April 17,

April 18, 2023 Housing Element Update Page 2 of 9

2023. During that time, the Planning Commission and City Council were also provided their own copies of the Draft Element to review.

The public comment period recently closed, and the City must now allow a minimum of 10 days to address comments in a revised Housing Element that will then be transmitted to HCD for an initial 90-day review period.

## **Discussion & Project Overview**

# Public Engagement Efforts

As required by State housing law, public participation occurred as part of the update process, and played a critical role in the formation and refinement of the updated Housing Element. A community engagement program was developed to ensure the community and other stakeholders were engaged in the process and were given ample opportunities to provide input. The engagement program included branding, a project website<sup>1</sup>, and social media, media releases, surveys, newsletters, multiple workshops<sup>2</sup>, Planning Commission meetings and City Council meetings.

## Site Inventory/RHNA

The site inventory is a required component of the Housing Element used to identify specific sites to meet the City's RHNA, which represents the future housing needs for all income levels in the City for the next eight years (2023-2031). The RHNA is prepared by the Santa Barbara County Association of Governments (SBCAG) and the City's allocation for the 6<sup>th</sup> cycle is shown in Table 1below:

Table 1

Cycle	Lower		Moderate	Above	Total
	Very Low	Low	iviouerate	Moderate	RHNA
6 <sup>th</sup>	166	262	311	1,509	2,248
With 20% Buffer	200	314	373	1,509	2,396

The site inventory can meet the RHNA allocation by considering housing projects under review or approved through the Planning Division and expected to be built during the RHNA cycle. Additionally, Accessory Dwelling Unit (ADU) trends, City owned sites with housing in line with City goals, identified residentially zoned vacant sites or non-vacant sites with redevelopment potential, and identified sites that would be rezoned to permit residential uses or higher density can be used to meet the City's RHNA.

<sup>&</sup>lt;sup>1</sup> envisionlompoc.com

<sup>&</sup>lt;sup>2</sup> Held in English with Spanish interpreters present.

When identifying sites, the following factors must be considered:

- Environmental constraints (flooding, slope instability, hazards, or erosion);
- Redevelopment trends of similar sites;
- · Implementation of incentives for redevelopment; and
- Whether sites are aligned with goals of furthering fair housing.

In addition, sites used to meet the lower income RHNA can only be met on sites with a density of 20 dwelling units per acre and those sites must be greater than 0.5 acres but less than 10 acres.

The sites identification process includes:

- Vacant sites zoned for residential uses;
- Sites with limited or no existing housing units;
- Underutilized sites with large parking areas and with additional buildout potential;
  and
- Sites with redevelopment potential need to show redevelopment trends or implement new incentives to promote redevelopment.

It should be noted that including sites does not require their development or redevelopment of housing but simply demonstrates that the City has adequate land and zoning to accommodate its housing needs. On the other hand, incentives need to be implemented to promote redevelopment of sites where trends do not yet exist.

Table H-44 (below), along with the associated maps (Figure H-5 and Figure H-6) depict the Draft Sites Inventory Summary:

**Table H-44 Progress Toward RHNA** 

	Lower	Moderate	Above Moderate	Total
ADU Trends	0	0	96	96
Approved and Pending Projects	60	25	832	917
Vacant and Underutilized Sites	460	351	610	1,421
Total	520	376	1,538	2,434
RHNA plus buffer	514	373	1,509	2,396
Total Unit Surplus	6	3	29	38

Imagery provided by Microsoft Bing and its licenso Additional data provided by City of Lompoc, 2022.

Burton Ranch Melaughlin Rd Coleman Dr Colbert Dr E Central Ave Coastal Meadows E Tangerine Ave La Purisima E North Ave Court W@akAve **EOakAve** ECherry Ave W Nectarine Ave E/Airport Ave AfriportAve E College Ave Pettit Multi River Family **ELaurelAve** Terrace WLaurel Ave 233 Mixed Daniels Single Echesmut Ave W Chestnut Ave ... Use W Walnut Ave Lompoc © EWalnutAve © Castillo € de Rosas Mosaic Walk Record HACSB Henkelman Mixed Use City of Lompoc Olive Ave Pending and Approved Projects E Locust Ave

Figure H-5: Planned and Approved Projects

Imagery provided by Microsoft Bing and its licenso Additional data provided by City of Lompoc, 2022.

E Tangerine Ave E North Ave E Airport Ave 61 -48 -63 Bluff Dr 18 -City of Lompoc Vacant and Underutilized Sites

Figure H-6: Vacant and Underutilized Sites

April 18, 2023 Housing Element Update Page 6 of 9

The full list of vacant and underutilized properties shown in Figure H-6 is also listed in more detail (address/APN, size, zoning, etc.) on page 2-111 (Table H-43) of the Draft Housing Element (Attachment 1).

In summary, the housing capacity from the planned and approved projects (Figure H-5), ADU trends, and vacant and underutilized sites (Figure H-6), as summarized above are more than adequate to meet the City's RHNA requirement of 2,248 units as well as the additional 20% buffer if one additional site (Site #33 shown in Figure H-6) is rezoned from Planned Commercial Development (PCD) to Mixed Use (MU). That site was selected for a potential new housing site due to its location adjacent to an existing neighborhood and the fact that it is the last large, vacant parcel in the City (that is not already entitled) that could accommodate additional housing if rezoned. In addition, this site is along a major transportation corridor (Highway 246) and adjacent to a mix of uses (housing, commercial, office, etc). Futhermore, the rezoning of this particular parcel would allow more flexibility in allowable uses of the site, which is in a prominent location entering the City. Lastly, rezoning this site prevents a need for upzoning other sites with existing onsite uses<sup>3</sup>. Staff has also reached out to the property owner as well regarding the potential rezoning of this parcel.

## Affirmatively Furthering Fair Housing (AFFH)

AFFH is a new subject area (as of January 1, 2021) that is covered in the updated Housing Element and required by Assembly Bill 686 to expand upon the fair housing requirements and protections outlined in the Federal Fair Employment and Housing Act. AFFH refers to taking 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. In summary, AFFH seeks to combat housing discrimination, eliminate racial bias, undo historic patterns of segregation, lift barriers that restrict access, foster inclusive communities, and achieve racial equity, fair housing choice, and opportunity.

The updated Housing Element includes the following five categories of analysis relating to fair housing issues:

- Fair housing enforcement and outreach;
- Integration and segregation patterns and trends;
- Racially and ethnically concentrated areas of poverty;
- Disparities in access to opportunities; and
- Disproportionate housing needs (including displacement).

The updated Housing Element must also include meaningful actions to address identified fair housing issues and contributing factors. Program H-A.11 (Attachment 1, page 1-19) relating to job training fairs in targeting locations meets the requirement of "meaningful actions".

<sup>&</sup>lt;sup>3</sup> Other vacant sites in the City are identified in the inventory starting on page 2-111 of the Housing Needs Assessment.

April 18, 2023 Housing Element Update Page 7 of 9

Appendix A of the draft Housing Element provides an in-depth review of AFFH and discussion on the approach to its analysis, methodology, resources/mapping, community engagement/outreach, trends, sites inventory analysis, and an assessment of fair housing issues and identifying factors that contribute to fair housing issues in Lompoc.

# Policy Document

The policy document within the updated Housing Element builds upon existing goals, policies, and programs. Most of the goals listed are carry-overs from the previously adopted Housing Element with the exception of a new goal (Goal H-5) relating to maximizing opportunity and housing choice throughout the City.

Updates to the zoning code for State compliance will be required including AFFH in programs under most goals, not just under the fair housing goal within the Element. Where appropriate, programs include an estimate of the number of households that may be assisted to serve as metrics the City can use to monitor progress toward objectives throughout the planning period (2023-2031). Additionally, monitoring occurs annually and is required by HCD through the Housing Element Annual Progress Report.

The policy document is organized under the following goal titles:

- 1. Choice of Housing Opportunities for All Economic Segments;
- 2. Restore, Protect, and Improve Housing Conditions;
- 3. High-Quality Living Environment;
- 4. Maximize Energy Efficiency; and
- 5. Affirmatively Furthering Fair Housing (new goal).

Each goal contains policies and programs that establish the City's action plan. Programs in the policy document establish specific commitments and are the focus of HCD's review of the policy document. In addition to the existing programs, 15 new programs<sup>4</sup> are included to meet State requirements. The City Council may add or revise programs as long as legal requirements are still met as will be required as part of HCD review.

<sup>&</sup>lt;sup>4</sup> Implementation Programs pages 1-14 through 1-26 of the Draft Housing Element (Attachment 1).

# Needed Input

There are specific areas needing input from the City Council prior to submitting the Draft Housing Element to HCD. Those are the following.

# 1) The Overall Approach of the Draft Housing Element After Reviewing the Initial Public Review Draft

If the City Council would like the Housing Element document formatted differently, or additional topics/areas covered, staff can incorporate any changes desired by the Council. That being said, additional studies or a complete overhaul of the document is not currently covered in the existing contract with the consultant.

# 2) Proposed Re-Zoning of 1600 East Ocean Avenue from PCD to MU

1600 East Ocean Avenue is currently vacant commercially zoned site<sup>5</sup> that is recommended to be re-zoned from Planned Commercial Development (PCD) to Mixed Use (MU) to accommodate additional housing to meet the City's RHNA requirements. That site is adjacent to an existing residential neighborhood to the south, is approximately 9.6 acres in size, and could allow up to a total of 422 dwelling units (44 dwelling units/acre) under the MU zoning district. (See Attachment 2.)

# 3) Proposed Amendments/Addition of Selected Goals, Policies, and Measures

Staff and the consultant have recommended (as noted) new or revised goals, policies, and programs/measures in line with community input, direction from the City Council, and taking into consideration the vision of the community and existing efforts to promote and accelerate housing. If the City Council disagrees with the proposed changes or needs further clarification of the changes, then staff and the consultant are available to provide more information/guidance if needed.

# 4) Proposed Draft Changes to Existing Policies and Programs as Requested by the Ad Hoc Committee

Following staff and consultant review of the Ad Hoc Committee comments (Attachment 3), amended policies (H-1.2, H-1.4, H-1.5, H-1.7 & H-1.15) and amended programs (H-A.1 & H-A.10) have been drafted for City Council input and direction. If direction from the City Council has changed or additional input is provided that amends the proposed draft changes to policies and programs, changes can be made prior to submittal of the updated Housing Element to HCD.

<sup>&</sup>lt;sup>5</sup> Page 2-120, Site #33 of Figure H-6, Vacant and Underutilized Sites (Attachment 1)

April 18, 2023 Housing Element Update Page 9 of 9

#### Next Steps

Staff is currently reviewing public comments received and based on input received from the City Council at this meeting, the draft Housing Element will be amended within a minimum of 10 business days and subsequently submitted to HCD for an initial 90-day review (May-July). Based upon input from HCD (due by end of July), the Housing Element will be revised again and then brought back to the Planning Commission and City Council for consideration of adoption at future public hearings (August/September). Following adoption by the City Council, the adopted draft will then be re-submitted to HCD for a 60-day review (September/October) and certification.

# **Fiscal Impact:**

The cost of the Housing Element Update project has been paid through a combination of allocated General Fund and Grant monies (LEAP and REAP). To date, no further funding is needed to complete the proposed General Plan Housing Element Update.

#### **Conclusion:**

Staff requests input from the City Council on the four items requested in this report prior to submission of a Revised Draft General Plan Housing Element to HCD for an initial 90-day review.

Respectfully submitted,
Brian Halvorson, Planning Manager
APPROVED FOR SUBMITTAL TO THE CITY MANAGER:
Christie Alarcon, Community Development Director
APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:
Dean Albro, City Manager

2) Proposed Re-Zone Site (1600 East Ocean Avenue)

(available for review at www.cityoflompoc.com and at the City Clerk's Office)

3) Ad Hoc Committee Housing Element Comments

Attachments: 1) Housing Element Public Review Draft