



CITY OF HEALDSBURG HOUSING ELEMENT WORK GROUP MEETING AGENDA

City Hall Council Chamber
401 Grove Street
Healdsburg, CA 95448
Phone: 431-3317

Date: March 14, 2022
Time: 6:30 P.M.
Date Posted: March 10, 2022

CORONAVIRUS (COVID-19) ADVISORY NOTICE

Consistent with Government Code section 54953(e), and in light of the declared state of emergency, the Special Meeting will not be physically open to the public and all Housing Element Work Group (HEWG) members will be teleconferencing into the meeting via Zoom. To maximize public safety while still maintaining transparency and public access, members of the public can listen to the meeting by using the hyperlink below and may provide public comment by Zoom during the public comment period.

How to Observe the Meetings

To maximize public safety while maintaining transparency and public access, the HEWG will be using Zoom Webinar service to allow remote participation.

To Watch the Meeting and Submit Public Comment as Part of the Zoom Webinar:

To join by computer, tablet, or mobile device:

1. Go to <https://zoom.us/join> and type in the **Webinar ID: 845 6657 1497** or follow this link <https://cityofhealdsburg-org.zoom.us/j/84566571497> Pre-registration for the meeting is not required.
2. Fill in your full name, verify you are not a robot (if required), and click “Join.”
3. If the meeting host has started the Webinar, you should join automatically. If the meeting host has not started the Webinar, remain in the Webinar and it will start shortly.

To join by phone:

1. Dial 669-900-9128 or 253-215-8782 or 346-248-7799.
2. Enter the **Webinar ID: 845 6657 1497** and press ##.
3. If the meeting host has started the meeting, you should join automatically. If the meeting host has not started the meeting, remain in the meeting and it will start shortly.

To Submit Public Comment:

By computer, tablet, or mobile device:

1. In the bottom center of the screen is a hand icon, click on “Raise Hand”. The hand icon will place you in line to speak.
2. When it is your turn to comment, the meeting moderator will call upon you to comment. State your first name, last name, address, and comment. Each speaker will be given no more than three (3) minutes to make your comment.

3. When you are done commenting, please remember to lower hand.

By phone:

1. Press *9 to raise your hand.
2. When it is your turn to comment, the meeting moderator will call the last four digits of your phone number. Press *6 to speak at that time. State your first name, last name, address, and comment. Each speaker will be given no more than three (3) minutes to make your comment.
3. At the conclusion of your comments or when three minutes has passed, the meeting host will remove your ability to talk.

Americans with Disabilities Act Accommodations

Any member of the public who needs accommodations should email Stephen Sotomayor at ssotomayor@healdsburg.gov or by calling 707-431-3396. Staff will use their best effort to provide reasonable accommodations to provide as much accessibility as possible while also maintaining public safety in accordance with the city procedure for resolving reasonable accommodation requests. All reasonable accommodations offered will be listed on the city website at <https://www.ci.healdsburg.ca.us/406/ada---public-accessibility>.

1. CALL TO ORDER/ROLL CALL

- A. Roll Call**
- B. Approval of Agenda**

2. ANNOUNCEMENTS/PRESENTATIONS

- A. Affordable Housing Update

3. PUBLIC COMMENTS ON NON-AGENDA ITEMS

This time is set aside to receive comments from the public regarding matters of general interest not on the agenda, but related to the Housing Element Work Group. Pursuant to the Brown Act, however, the Work Group cannot consider any issues or take action on any requests during this comment period. Speakers are encouraged to limit their comments to 3 minutes maximum so that all speakers have an opportunity to address the Work Group.

4. STAFF REPORTS AND UPDATES

- A. Housing Site Analysis Update

5. OLD BUSINESS

- A. Programs and Policies for the 6th Cycle Housing Element

6. NEW BUSINESS

- A. Discussion of Future HEWG Schedule (Potential Action Item)

7. WORK GROUP REPORTS ON MATTERS OF INTEREST OCCURRING SINCE PREVIOUS REGULAR MEETING (Information Only)

8. ADJOURN HOUSING ELEMENT WORK GROUP MEETING

6th Cycle

Healdsburg Housing Element Update

RHNA

Lower Income Units = 299

- Extremely Low = 83
- Very Low = 107
- Low = 109

Moderate Income Units = 49

Above Moderate Income Units = 128

TOTAL Units = 476

Strategy to Meet RHNA

Planned and Approved

Lower = 295

- Extremely Low = 26
- Very Low = 153
- Low = 116

Moderate = 65

Above Moderate = 264

TOTAL = 624

Projected ADUs

Lower = 64

- Extremely Low = 16
- Very Low = 16
- Low = 32

Moderate = 32

Above Moderate = 11

TOTAL = 106

6th Cycle

Healdsburg Housing Element Update

Planned and Approved Units

Certificate of occupancy expected after 6/30/2022

	Address	Resource Area	Total	ELI	VLI	LI	MI	AMI
1	111 Sawmill	Low	41		24	16	1	
2	155 Dry Creek	High	58	5	52	0	1	
3	Saggio Hills	High	110		10	90	10	
4	3 Healdsburg	Low	30		2		1	27
5	Enso Village	High	221		20		10	191
6	Comstock	High	80		6	9	39	26
7	Farmstand	Low	24			1	3	20
8	L&M Village	Low	21	21				
9	The Scattered Sites Project	Mixed	39		39			
Total			624	26	153	116	65	264

Resource Area Designation

- 208 Lower-income units in High Resource Areas
- Represents 70% of Lower-income RHNA

6th Cycle

Healdsburg Housing Element Update

ADU Analysis

- 53 ADUs total in 2018, 2019, 2020, and 2021
- Average of 13 per year
- 13 ADUs per year x 8-year cycle = 106 ADUs
- A pre-certified allocation is allowed
 - 10% Above Moderate,
 - 30% Moderate,
 - 30% Low, and
 - 30% Very Low and Extremely Low

6th Cycle

Healdsburg Housing Element Update

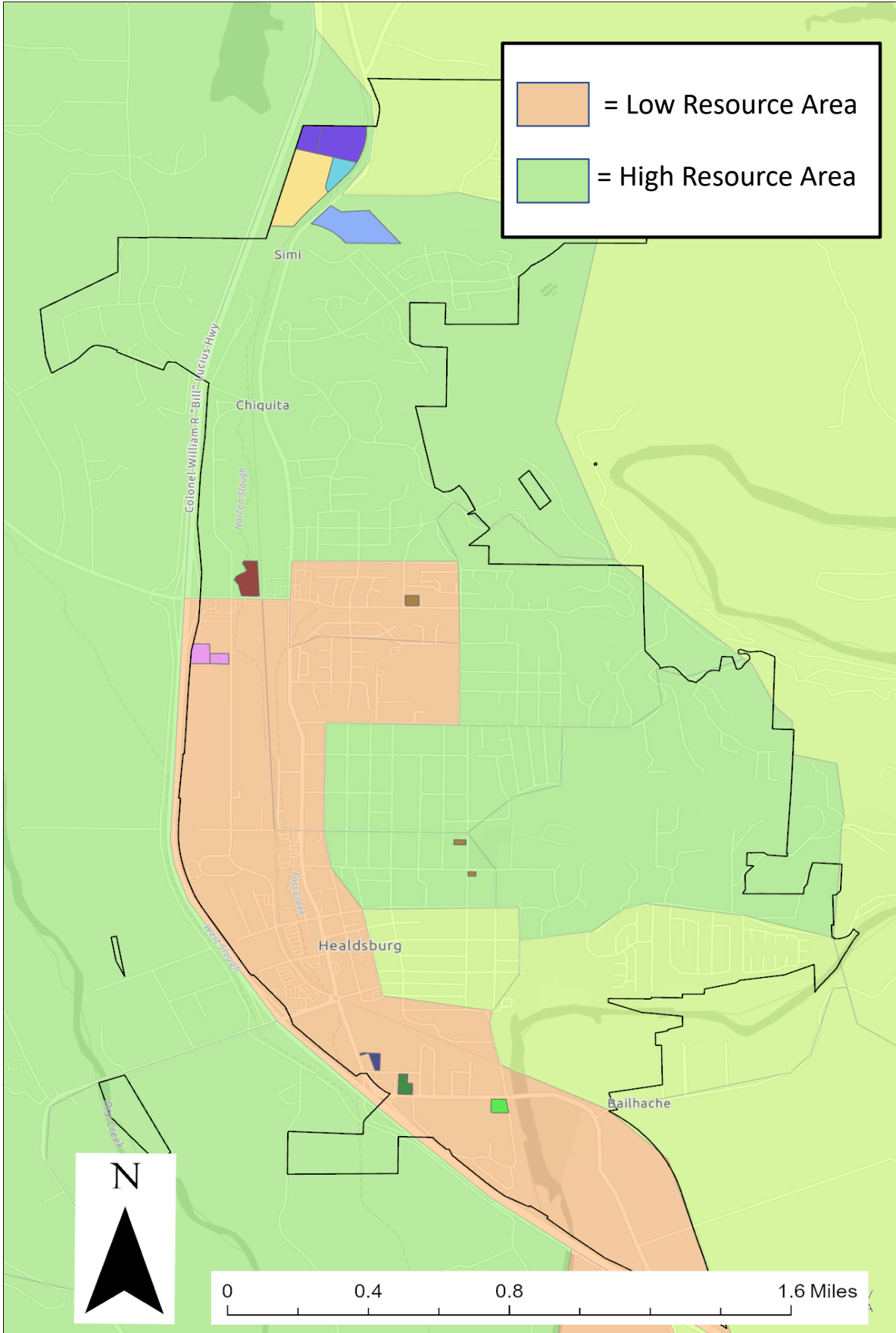
No Net Loss Buffer

RHNA	Total Credits	% of RHNA
Lower = 299 <ul style="list-style-type: none">• Extremely Low = 83• Very Low = 107• Low = 109	Lower = 359 <ul style="list-style-type: none">• Extremely Low = 42• Very Low = 169• Low = 148	Lower = 120%
Moderate = 49	Moderate = 97	Moderate = 298%
Above Moderate = 128	Above Moderate = 275	Above Moderate = 215%
TOTAL = 476	TOTAL = 730	TOTAL = 153%

6th Cycle

Healdsburg Housing Element Update

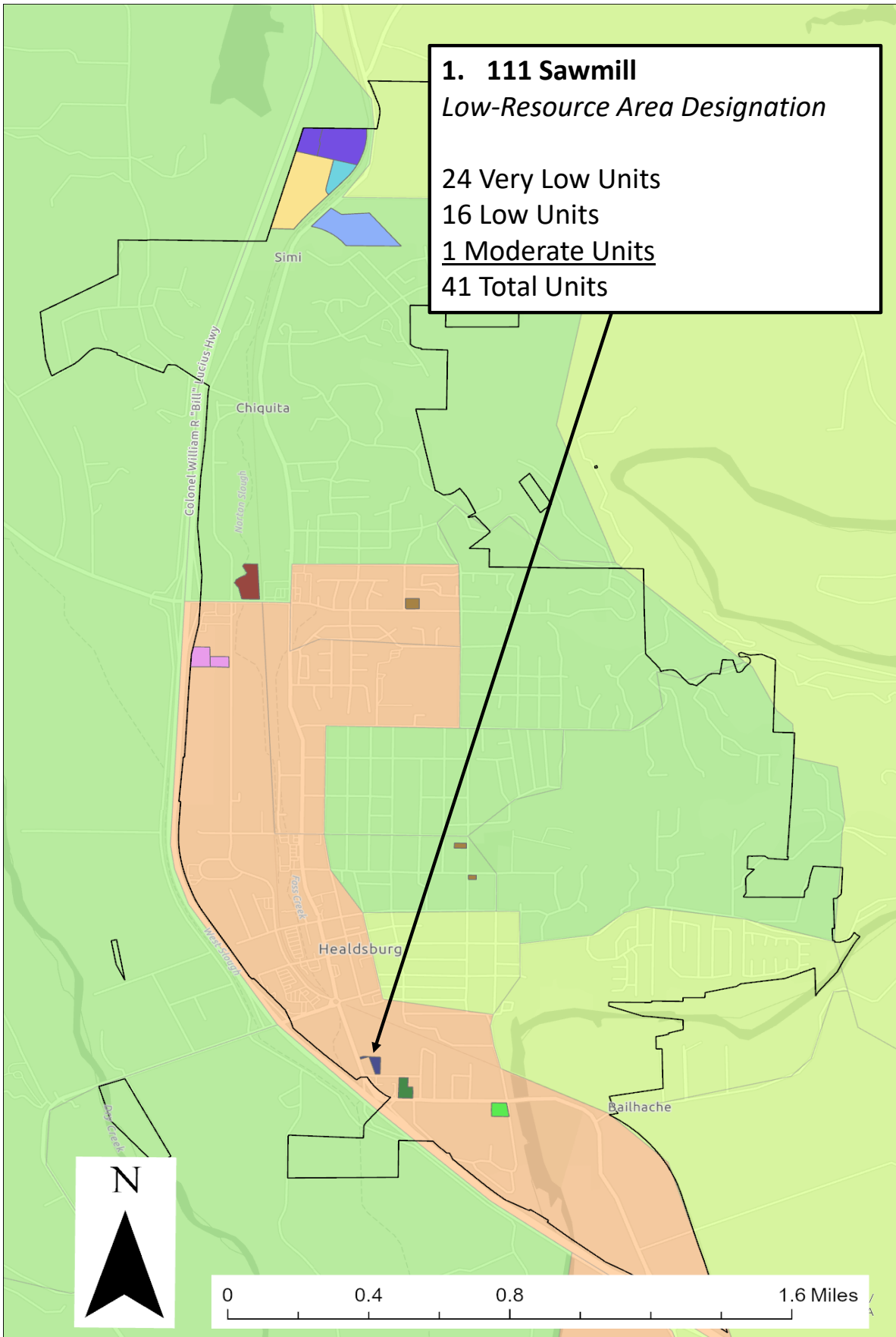
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

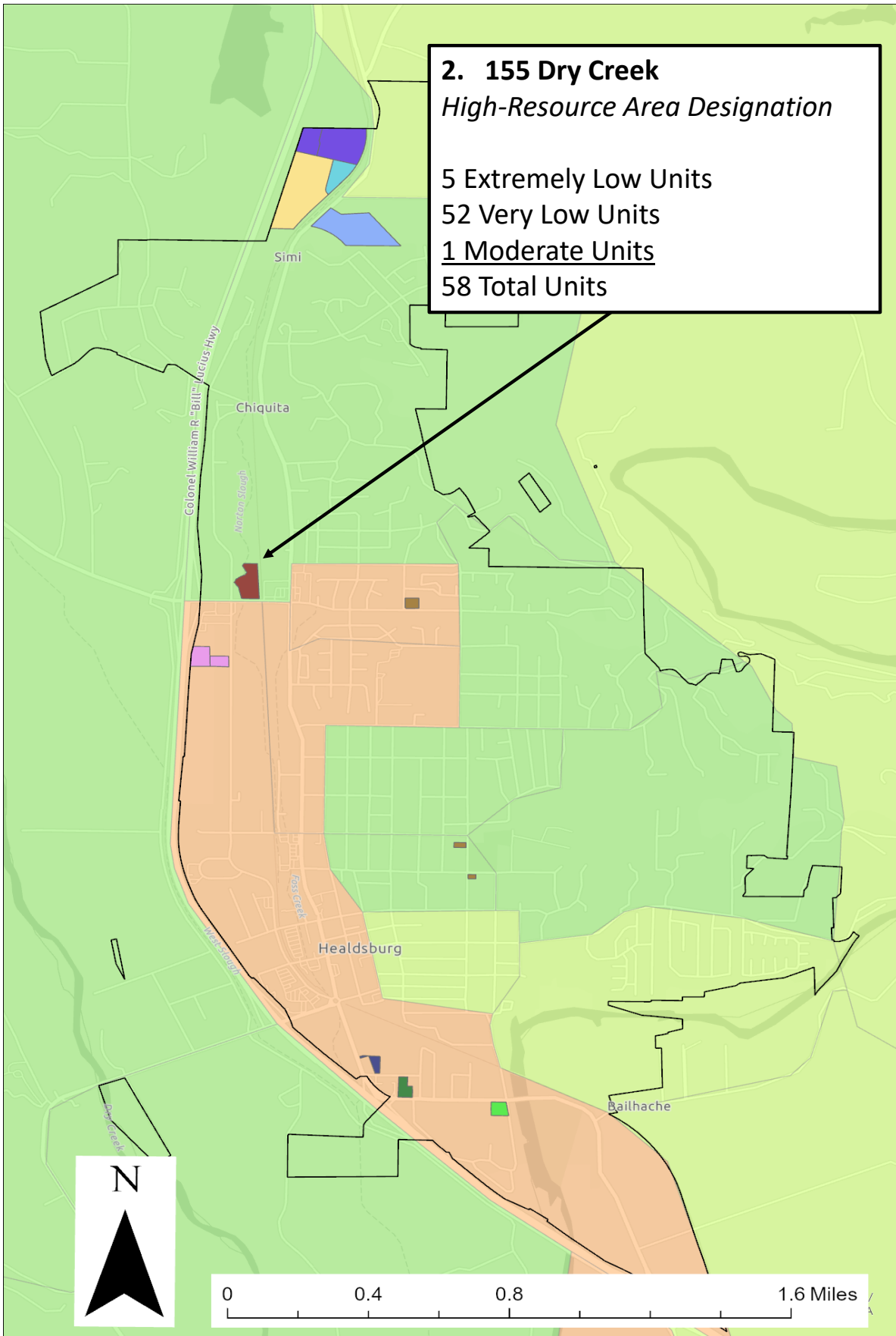
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

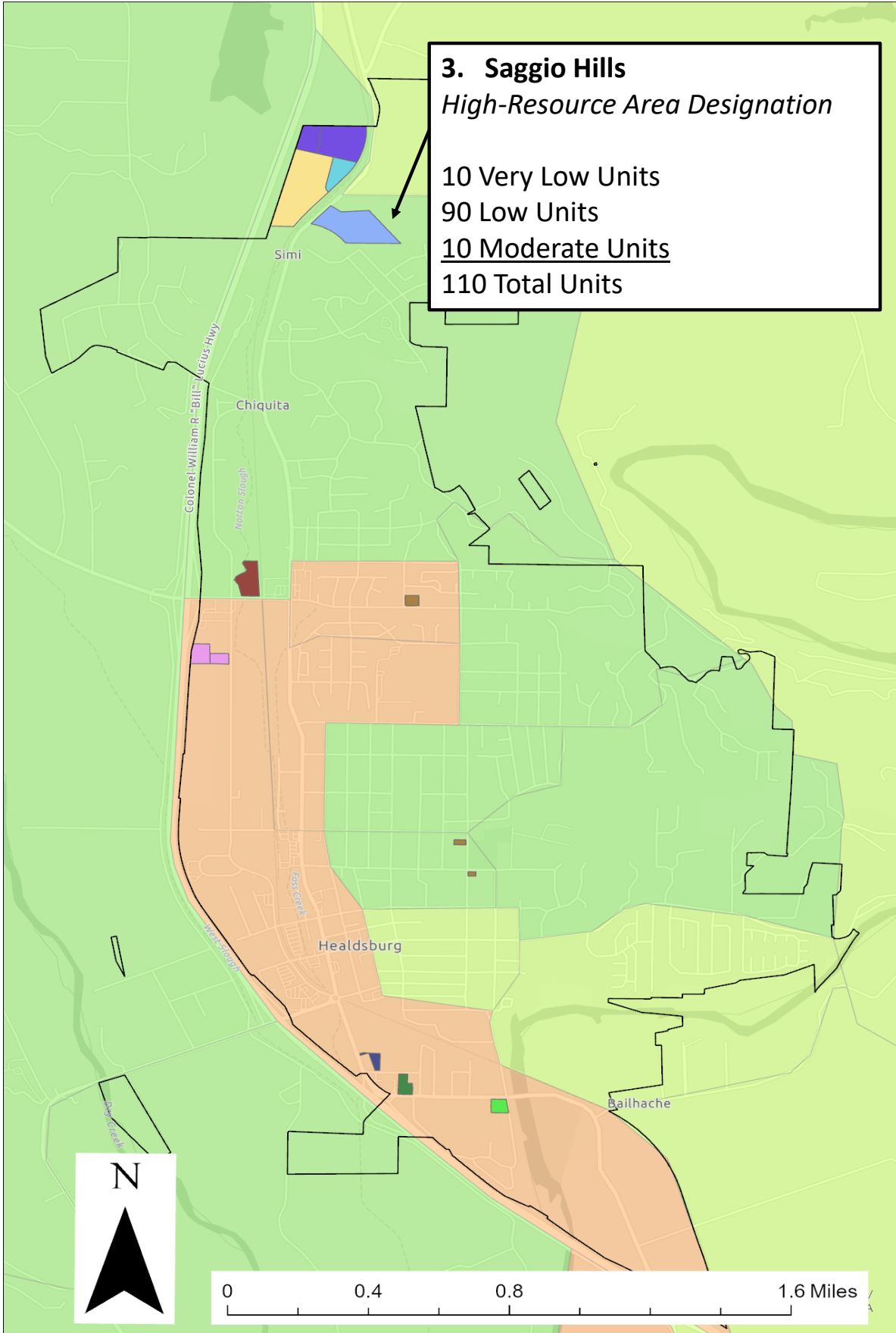
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

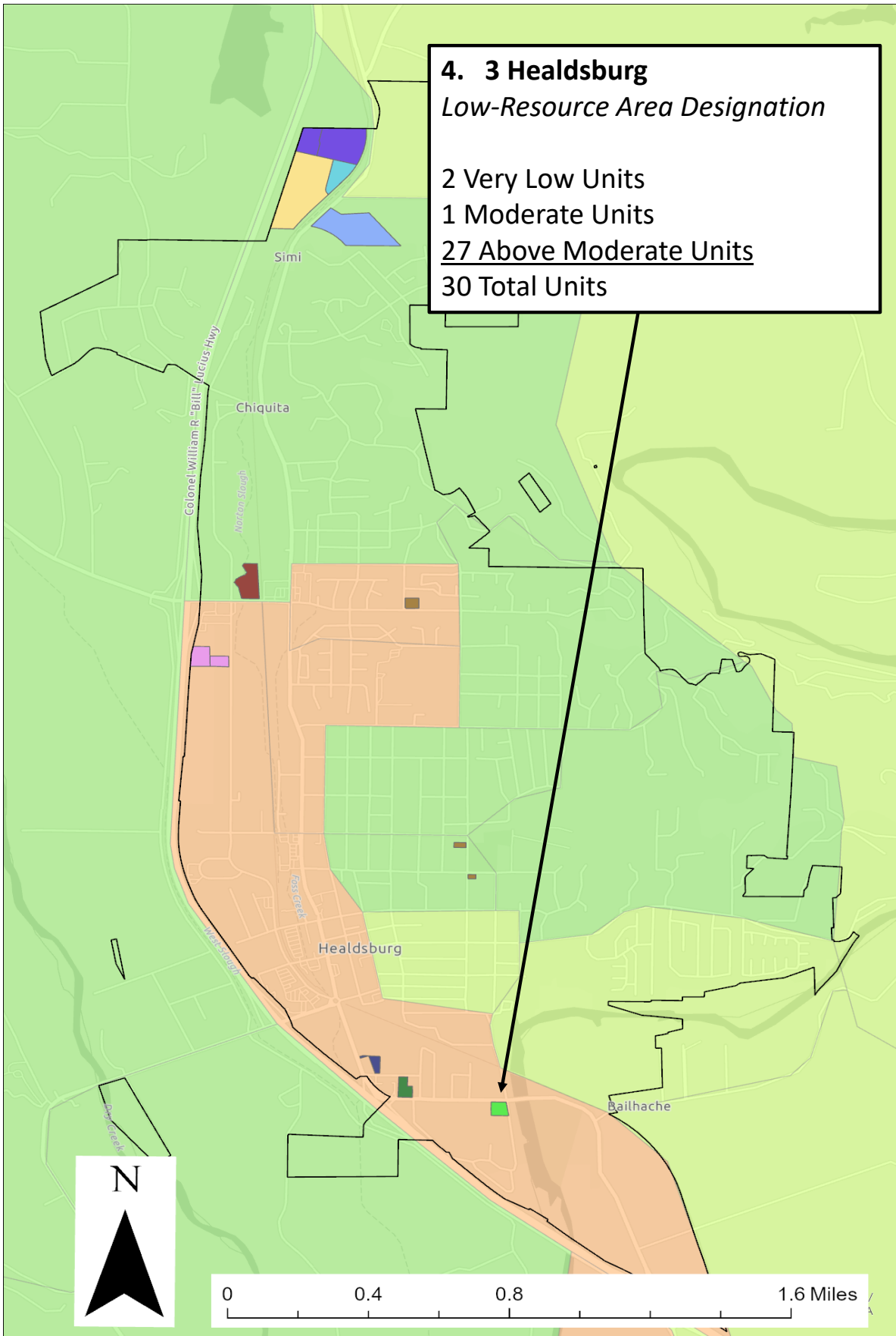
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

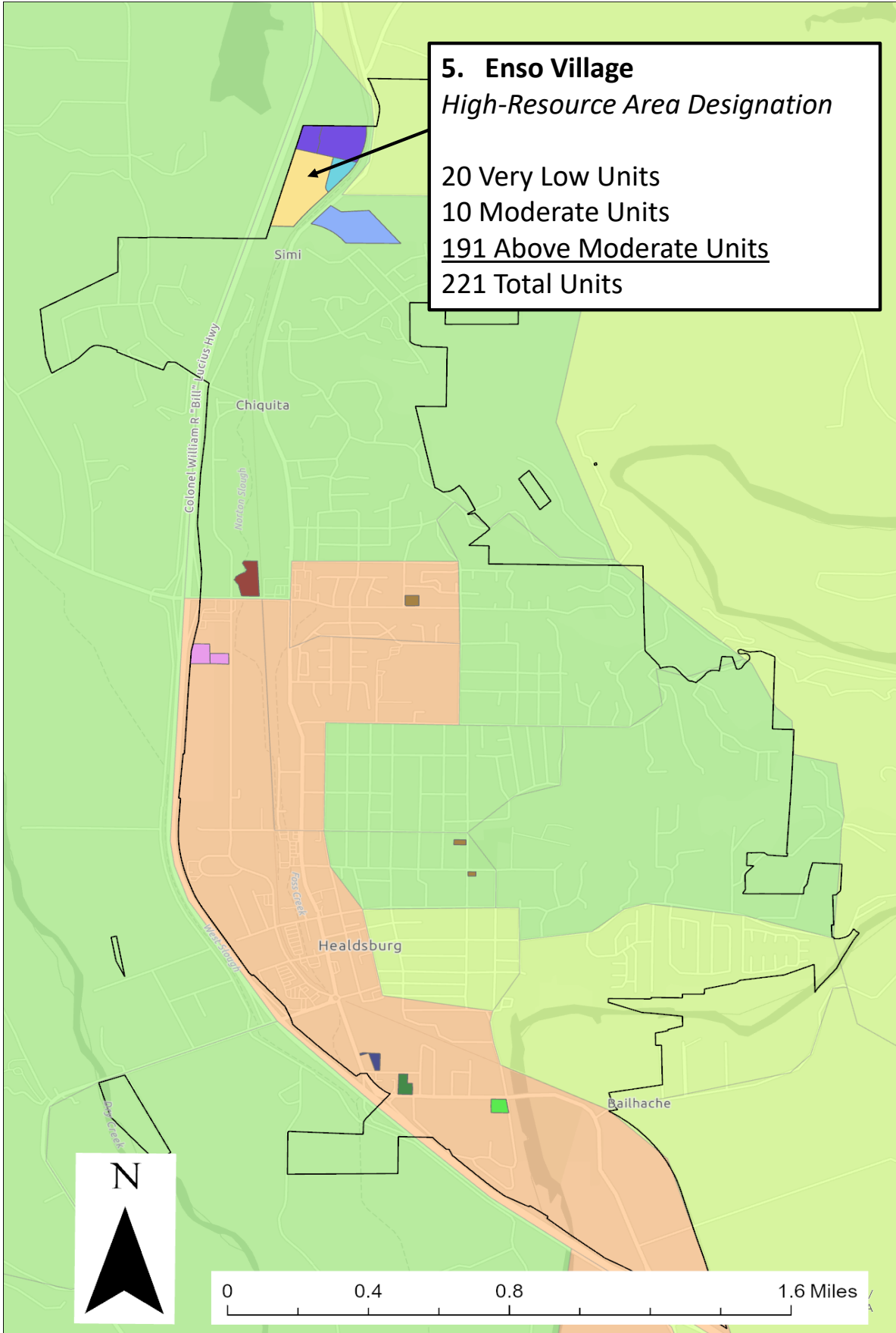
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

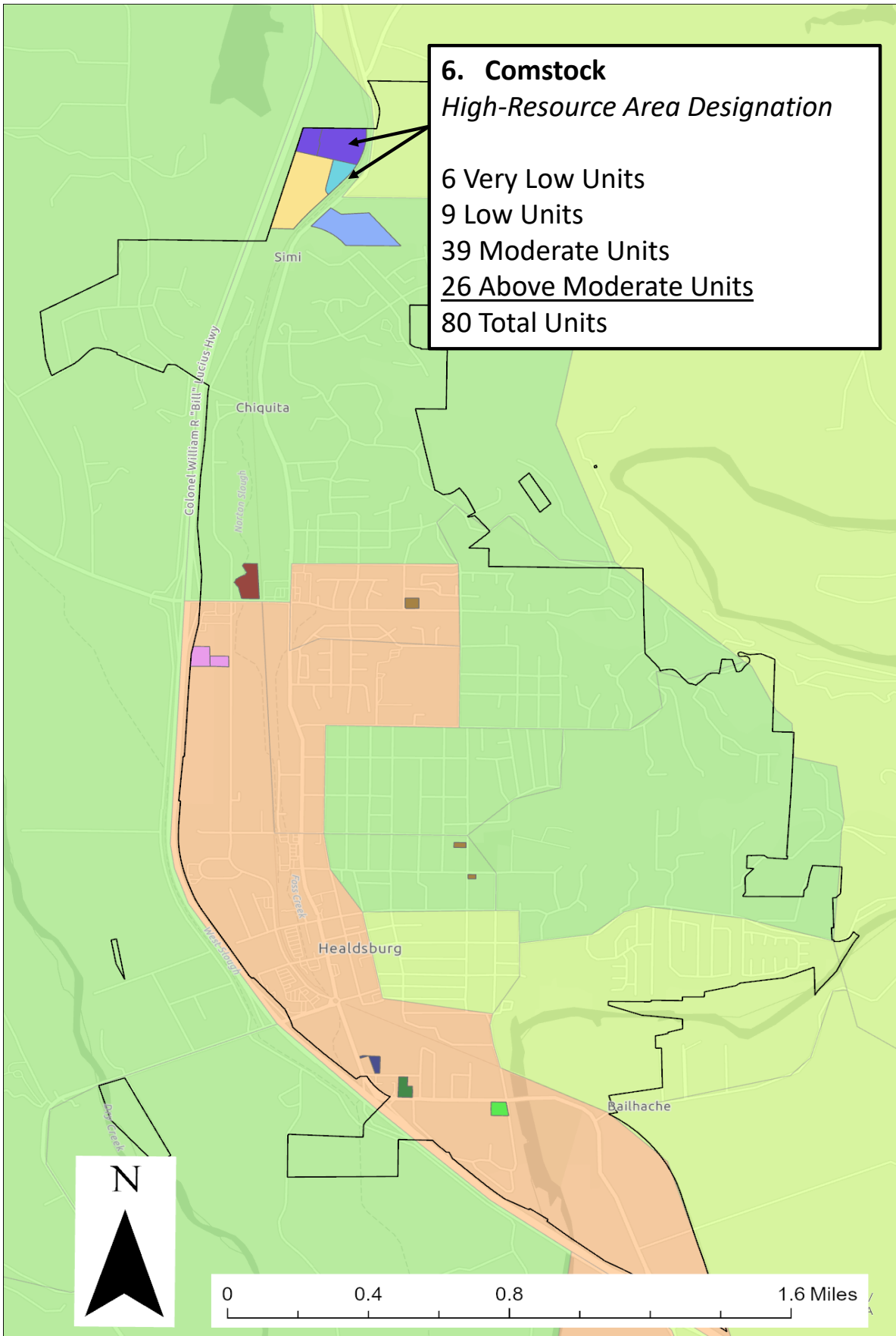
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

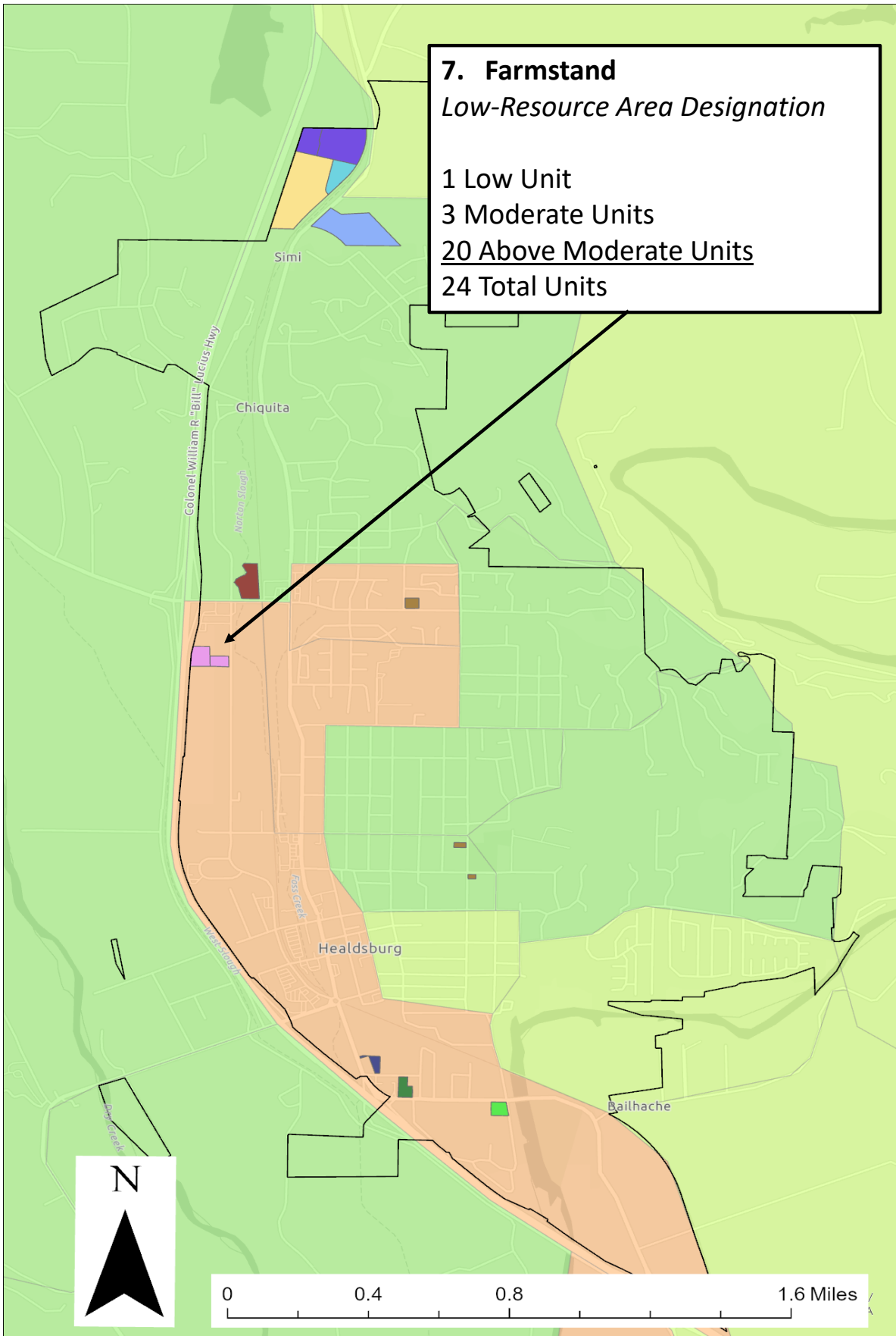
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

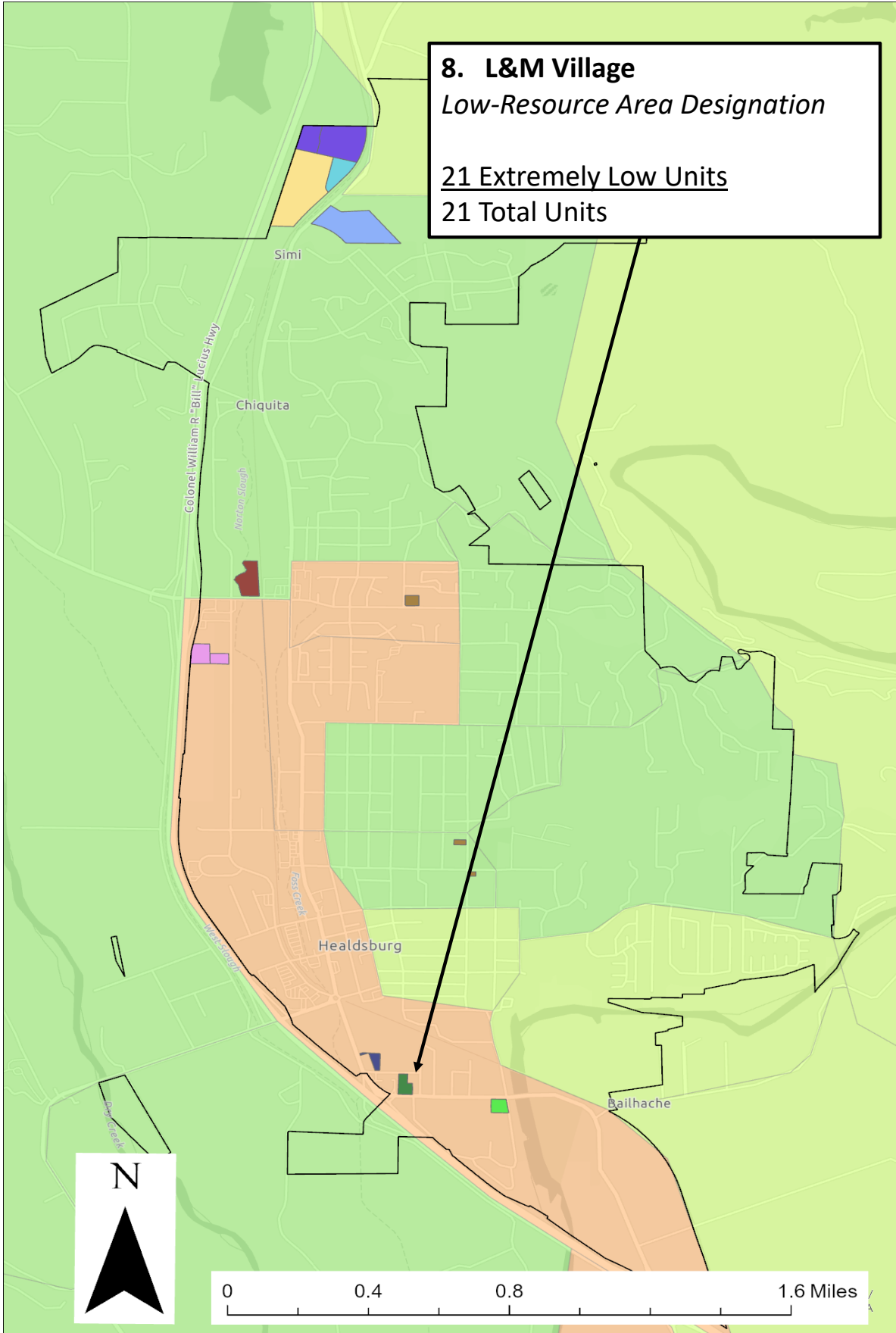
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

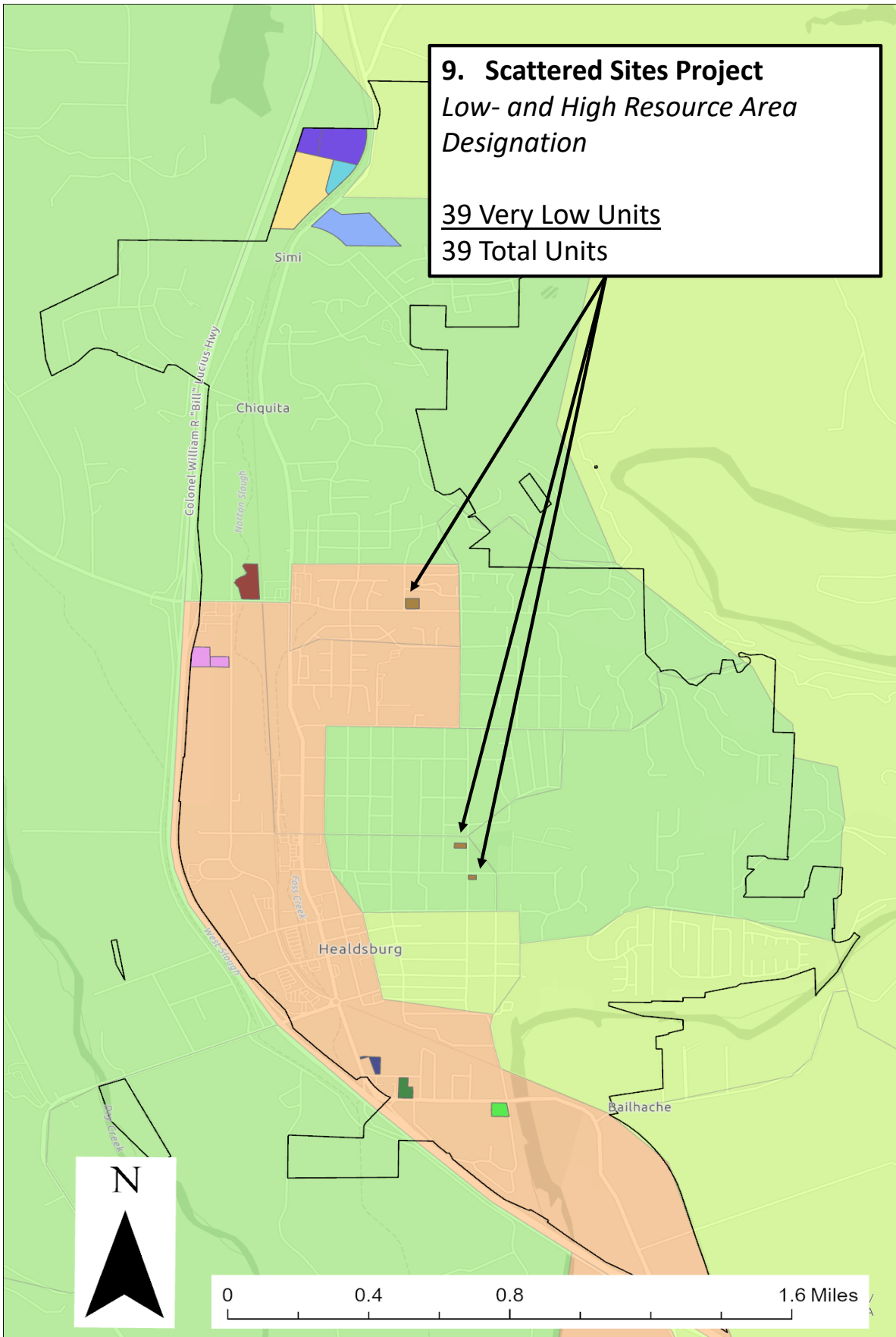
Map of Planned and Approved Units



6th Cycle

Healdsburg Housing Element Update

Map of Planned and Approved Units



Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

1. Meeting 6th Cycle RHNA requirements

A central issue for the Housing Element Update is assuring adequate housing development capacity. The 6th Cycle RHNA requires the City to provide development capacity for 476 units (190 very low, 109 low, 49 moderate, and 128 above moderate), more than double the 5th cycle element just concluding. Fortunately, the City has a set of under construction and 'pipeline' projects that nearly if not completely meet the RHNA requirements. Some continuing effort will be needed to assure creation of Extremely Low Income (ELI) units.

Creating Extremely Low Income (ELI) units

Program Option 1 -- Increase number of extremely low family income units in pending affordable housing developer projects by increasing City subsidy to these projects

Program Option 2 -- Modify ongoing and future transitional and supportive services projects to include units that qualify as a 'housing unit', e.g., L&M motel project

Other Program Options? (describe)

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

2. Assuring balanced geographic distribution of Affordable Housing Sites and Projects

Affirmatively Furthering Fair Housing statutes require affordable housing not to be overly concentrated in 'low-resource' areas and, rather, to be distributed throughout the community. At the present time the majority of 6th Cycle Affordable Housing Sites (excluding ADUs) in the City are located in areas designated 'High Resource Areas' in the City. A continuing effort will be needed to assure a balanced distribution.
(See Map)

Achieving equitable geographic distribution of housing

Program Option 1 -- Increase affordable housing opportunities in the City's existing developed neighborhoods by allowing, facilitating, and incentivizing construction of ADUs, JADUs, and other 'second units' as allowed by SB-9

Program Option 2 -- Permit and incentivize 'plexes' (duplexes, triplexes, etc) within some or all 'single family' designated zoning districts

Program Option 3 -- Continue to improve public facilities, community conditions, and public services in all portions of the City designated 'low resource'

Program Option 4 -- Prioritize development of affordable housing opportunity sites located in the City's 'high resource' areas

Other Program Options? (describe)

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

3. Going beyond RHNA Requirements

The Housing Element will contain 'Quantitative Objectives' for housing production including the RHNA specified units and also must include objectives for housing preservation and rehabilitation. The Quantified Objectives can also include objectives for homeless facilities, safe parking sites, and **middle income units**. The City's *Housing Action Plan* contains these broader objectives that can be updated and incorporated into the Housing Element Update.

Providing Transitional and Supportive Housing

Program Option 1 -- Continue current City efforts to address homeless population needs by expanding transitional and supportive housing within Healdsburg and sustaining related services

Program Option 2 -- By statute, the city must now amend its residential zoning districts, to allow 'by-right', supportive housing, and low barrier navigation centers.

Program Option 3 -- Expand participation in the Countywide efforts supporting additional homeless facilities in the City and in neighboring communities

Other Program Options? (describe)

Preserving Existing Multifamily Housing

Program Option 1 -- Continued opportunistic investment (purchase and rehabilitation) of existing market rate multifamily rental buildings to be added to City's price-restricted housing stock

Program Option 2 -- Create low interest loans and other incentives for multifamily rental housing to rehabilitate and upgrade their properties

Other Program Options? (describe)

Expanding Affordable Housing to include families with incomes up to 150 percent of median income

Program Option 1 -- As a part of future market-rate housing projects involving development agreements require a portion of housing created to be exclusively available to local workforce families on a continuing basis (i.e., resales must meet first sale restrictions).

Program Option 2 -- Provide direct subsidies to middle income local workforce families to improve credit worthiness and offset equity requirements (using 'silent second mortgages' equity sharing, or other subsidy instruments)

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

Program Option 3 -- Develop ownership housing in concert with the Housing Land Trust of Sonoma County (or other similar organizations) specifically targeted at providing home ownership opportunities to moderate and above moderate (up to 150 percent of median income) local workforce families.

Other Program Options? (describe)

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

4. Expanding Development Capacity

While there are adequate development sites to meet 6th Cycle RHNA requirements, there will be future Housing Element cycles that will require adequate affordable housing sites and, additionally, there is the need expressed in adopted *Housing Action Plan* to preserve and expand housing affordable by the local workforce with moderate and middle incomes up to 150 percent of median family income. All efforts to expand development capacity will require planning, environmental review, and discretionary approval by the City Council.

Amending existing Zoning Districts to increase allowable housing density

Program Option 1 -- Increase allowable density in existing zoning districts that allow multi-family housing from the existing maximum density of 20 units per acre to 30 units per acre.

Program Option 2 -- Pursue selected rezoning of lower density residential or commercial/industrial sites to multifamily or mixed use zoning districts

Other Program Options? (describe)

Pursuing area plans and specific plans that expand housing capacity within existing City boundaries

Program Option 1 -- Complete *Central Healdsburg Area Plan* and related rezonings focused on increasing capacity for multifamily

Program Option 2 -- Prepare area or specific plan for the Healdsburg South Entry Area

Program Option 3 -- Prepare area or specific plan for the North Healdsburg Avenue Area

Other Program Options? (describe)

Pursuing development of key housing 'opportunity sites' through partnerships with other public or private entities

Program Option 1 -- Evaluate Housing Opportunity Sites (e.g., Foss Creek Community Center site, Healdsburg Hospital site, Station Area site) and seek partners to pursue housing development on these sites

Program Option 2 -- Initiate planning, development entitlement, and partnership agreements on Opportunity Sites as they come available

Other Program Options? (describe)

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

Assuring that any development capacity increases come with regulatory requirements that provide capacity or units available for lower and middle income families

<p>Program Option 1 -- Implement the Inclusionary Housing Ordinance, and update as necessary</p>	
<p>Program Option 2 -- Require setting aside (dedicating) development sites for affordable housing projects within all new area plans and specific plans to achieve a minimum of 40 percent of all units for affordable and middle income housing</p>	
<p>Program Option 3 -- Provide density bonus provisions above and beyond the State required density bonus provisions to expand affordable and middle income units</p>	
<p>Other Program Options? (describe)</p>	

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

5. Affirmatively Furthering Fair Housing

In addition to assuring distribution of sites, State law has been amended to Affirmatively Further Fair Housing. AB-686 (2018) requires increased information, outreach, and support for tenants and tenant organizations regarding violations of State fair housing law. (*note: these policy options are preliminary, awaiting advice of counsel to the Napa Sonoma Housing Collaborative*)

Proactively informing tenants regarding their rights

Program Option 1 -- Disseminate fair housing information through posters, brochures, forms, and landlord/tenant handbooks from the State Department of Fair Employment and Housing and Fair Housing of Sonoma County on City's Website and in public locations.

Program Option 2 --

Providing support and legal services to tenants

Program Option 1 -- Refer fair housing complaints to the State Department of Fair Employment and Housing and Fair Housing of Sonoma County.

Program Option 2 --

Assuring non-discrimination in all housing transactions

Program Option 1 -- Provide nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with City subsidy, as well as mandate the implementation of fair housing practices in contracts with affordable housing developers.

Program Option 2 --

Providing all fair housing-related information, outreach and services in Spanish

Program Option 1 -- Conduct all outreach and public information efforts for the City's affordable housing programs in Spanish as well as English and publicize the programs through organizations representing the Hispanic community

Program Option 2 --

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

Offering discounted utility rates to lower income families as may be requested by qualifying

Program Option 1 -- Continue program of discounting the electric, water and sewer utility and storm drainage maintenance charges to lower income households and affordable residential projects.

Program Option 2 --

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

6. Removing or Mitigating Governmental Constraints

In pursuit of other policies or inadvertently, governments impose constraints on housing development. Some, such as administration of State laws such as CEQA or building standards that increase development costs, cannot be addressed locally but others, such as extended and discretionary entitlement proceedings, high development impact fees and connection charges, or regulations that restrict growth that would otherwise occur must be addressed as part of the Housing Element.

Amending or repealing the City's existing Growth Management Ordinance.

Program Option 1 -- Pursue additional GMO amendments that would exempt market rate projects that provide more than 40 percent of their units as price restricted affordable and middle income housing units

Note: Leaving the current Growth Management Ordinance 'as is' is not an option, as the GMO is without a doubt a 'governmental constraint', and therefore the City MUST have a policy to reduce or eliminate the constraint.

Program Option 2 -- Pursue an initiative that would exempt all multifamily rental housing units

Program Option 3 -- Pursue an initiative that would repeal the existing Growth Management Ordinance as it is presently configured

Other Program Options? (describe)

Amending the City's Development Code to remove or mitigate regulatory constraints

Program Option 1 -- Update the City's Density Bonus Ordinance to be consistent with State law and to include bonus provisions above and beyond those minimally required by the State law

Program Option 2 -- Selectively amend Zoning Ordinance to increase housing unit densities, by right, to 30 units per acre in all zones allowing multifamily housing development

Program Option 3 -- Create a multifamily housing 'overlay district' that selectively (area-by-area) allows increased multifamily housing density

Program Option 4 -- Maximize 'by-right' provisions in the Zoning Ordinance and reduce the number of uses requiring 'conditional use permits', and replace discretion in design review with 'objective standards

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

	Other Program Options? (describe)	
Completing improvements to infrastructure and extension of municipal services needed to support new housing development	Program Option 1 -- Continued reliance on impact fees, project-specific exactions, and development agreement terms to create needed infrastructure while keeping aggregate fee burdens within acceptable limits.	
	Program Option 2 -- Use land secured financing districts (special property taxes) to leverage private infrastructure investment	
	Program Option 3 -- Create Citywide sources of funding to support infrastructure expansion including use of utility rate-based revenue bonds, general obligation bonds, and grants from federal and State programs	
	Other Program Options? (describe)	
Reducing the costs of development impact fees and other pre-development costs and entitlement time delays	Program Option 1 -- Adopt additional strategies to 'streamline' and reduce time required to grant development entitlements	
	Program Option 2 -- As required by AB-602 update all development impact fee ordinances to create 'graduated' fees based on housing unit size and other statutory provisions	
	Program Option 3 -- Conduct review of aggregate development impact fee and utility connection charges and amend or discount fees to keep their 'aggregate burden' within an affordable range (i.e., not exceeding 15 percent of development costs)	
	Program Option 4 -- Make public financing options available to all developers in the City that allow payment of fees and exaction with special tax bonds issued by the City or through the Statewide Community Infrastructure Program (SCIP)	
	Program Option 5 -- Maximize the use of 'Program Environmental Impact Reports' to minimize and streamline environmental review needed at the project level	

Key Healdsburg Housing Element Policy Issues & Programs		Change or Addition?
	Other Program Options? (describe)	

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

7. Removing or Mitigating Non-Governmental Constraints

As is the case with other desirable 'destination-oriented' (i.e., resort) communities, the visitor market, attracted to the City by its charm, small size, profusion of wine-oriented businesses and other recreational amenities create demand for second homes and vacation rentals that reduces affordability to local working families who are 'priced-out'. Such demand affects the value (pricing) of existing homes and also land price and new market rate home price. Wildfire risks also pose a constraint on preserving and creating additional housing.

Expand the supply of sites available for affordable and middle income housing

Program Option 1 -- In addition to existing inclusionary housing ordinance requirements create additional workforce housing sites through public acquisition, partnering with other public agencies, and dedication requirements withing area or specific plans or large development approvals involving development agreements.

Program Option 2 -- Expand City (or new non-profit community development corporation) acquisition of 'housing opportunity sites' to achieve future RHNA (affordable housing) requirements and to expand rental and ownership housing opportunities for the City's working families.

Other Program Options? (describe)

Regulate and mitigate the impacts of second home and vacation rental units

Program Option 1 -- Establish and vigorously enforce restrictions on vacation rentals in the City

Program Option 2 -- Ban (through amendment to the Zoning Ordinance) conversion of the City's housing stock to visitor-service uses including 'interval ownership' business models (such as Pacaso)

Program Option 3 -- Set aside a portion of housing portion of TOT and create new funding sources to be used to mitigate the loss of housing stock to vacation or second unit home use; i.e., support for middle-income families

Program Option 4 -- Adopt a new community services special property tax that exempts owner- and long term renter-occupied units. Funding derived from such a vacant unit tax could be used to mitigate the impacts of loss of resident-occupied housing including provided needed subsidies to build and sustain 'missing-middle' priced housing units.

Key Healdsburg Housing Element Policy Issues & Programs

Change or Addition?

	Other Program Options? (describe)	
<p>Reducing the City's risk of wildfires given its proximity to areas of Extreme Wildfire Hazard</p>	<p>Program Option 1 -- Require and provide financial incentives for fire safe building 'hardening' retrofitting</p>	
	<p>Program Option 2 -- Working with neighborhood associations and Fire Safe and COPE organizations to develop area-specific wildfire response plans</p>	
	<p>Program Option 3 -- Reduce wildfire hazards on lands surrounding the City, particularly on the eastern edge through cooperation with landowners, the Northern Sonoma County Fire Protection District, Cal Fire, and other entities to reduce fuel and create fire resistant 'buffer zones'.</p>	
	Other Program Options? (describe)	