



## **TITLE**

6th Cycle Draft Public Review Housing Element

## **RECOMMENDATION**

Adopt a Resolution taking the following actions in conjunction with the Sixth Cycle Housing Element Update:

1. Adopt a Resolution of the Planning Commission of the City of American Canyon, California, recommending the City Council of the City of American Canyon, California adopt a General Plan Amendment Sixth Cycle Housing Element Update pursuant to California Government Code Section 65588 (File No. PL23-0001);
2. Adopt a Resolution of the City Council of the City of American Canyon, California adopting a General Plan Amendment Sixth Cycle Housing Element Update pursuant to California Government Code Section 65588 (File No. PL23-0001).

## **CONTACT**

Brent Cooper, AICP, Community Development Director

## **BACKGROUND & ANALYSIS**

Since 1969, California has required all city and county governments to adopt a Housing Element that will adequately meet the housing needs of everyone in the community. Since the 60's, Housing Elements included policies to accommodate each community's "fair share" of housing for all income groups. Known as the Regional Housing Needs Allocation (RHNA), jurisdictions must demonstrate they have sufficient land at appropriate densities to accommodate their fair share of new housing need in the region, which is the San Francisco Bay Area region for American Canyon. In addition, jurisdictions must reduce obstacles to achieve the RHNA by streamlining development.

Today's Housing Element is a mandated element of the City's General Plan that must be updated every eight years. Unlike other General Plan Elements, the Housing Element must be reviewed by the State Department of Housing and Community Development (HCD).

In spite of more than 50 years of Housing Element policies, California's housing shortage grows more acute. In response, the State Legislature continues to adopt new Housing legislation to address the State's systemic housing shortage. In 2017 alone, the Governor signed 15 housing bills in an effort

to increase housing supply. Many of these new laws are implemented through the Housing Element. To reward jurisdictions with a valid Housing Element, State funds for a growing list of grant programs are contingent upon having an HCD-certified Housing Element (i.e. infrastructure, affordable housing, and others).

American Canyon is no ordinary city. It is a genuinely inclusive community of 21,000 plus residents. As we reflect on the 5th Cycle Housing Element RHNA (2015-2023), American Canyon can take pride for *exceeding* its “fair share” RHNA allocation by 68%. Furthermore, the City accomplished all 38 of the 5th Cycle Housing Element Implementation Programs – many of which are included in the draft 6th Cycle Housing Element. A summary of the 5th cycle Housing Element policy achievement is included as Attachment 3. Looking ahead to the next eight years (2023-2031), the 6th Cycle Housing Element provides a plan to achieve the City’s 622 housing unit RHNA allocation. A copy of the draft Housing Element is included as Attachment 1.1 and 2.2.

*How the City will meet the RHNA*

The 622-housing unit RHNA allocation is divided among four household income categories as shown in the table below. The current RHNA is made up of 446 dwelling units allocated by ABAG plus 176 units from two RHNA Transfer Agreements with Napa County that benefited the City of American Canyon. A 2010 agreement with the County for 149 units facilitated the Watson Ranch property annexation. A 2017 agreement with Napa County for 27 units brought an additional \$2.0 million of County funding for the Valley View Affordable Housing project. An explanation of the RHNA Transfer agreements and ABAG’s approval is included as Attachment 4.

To demonstrate compliance with the RHNA allocation, Housing Element RHNA Table 6-2 identifies 12 approved and proposed residential projects. In addition, the City anticipates construction of 16 Accessory Dwelling Units over the next 8-year Housing Element Cycle. These “Pipeline” projects exceed the RHNA allocation plus a large “buffer.” A detailed table is included as Attachment 5.

RHNA Source	Very Low Income (<50% AMI)	Low Income (50% - 80% AMI)	Moderate Income (80% - 120% AMI)	Above Moderate Income (>120% AMI)	Total
Inventory	202	129	410	815	1,556
Subtract RHNA	169	109	95	249	622
RHNA Buffer	33	20	315	556	934
RHNA Buffer %	20%	18%	332%	227%	150%

To reduce the possibility that the RHNA allocation is not achieved because some Housing Element inventory sites do not develop as planned, HCD requires each jurisdiction to identify 15 to 30+ percent more units in the inventory (a RHNA “buffer”) than are required to meet a jurisdiction’s RHNA. This is especially important for the moderate, low and very low-income categories.

Fortunately, with approval of Watson Ranch Specific Plan (WRSP), the Broadway District Specific

Plan (BDSP), Oat Hill Residential, and infill locations, American Canyon has sufficient land available today with zoning at densities to exceed the 622-unit RHNA allocation. The BDSP has capacity for an additional 662 dwelling units and the WRSP has remaining capacity for approximately 585 residential units at densities ranging from two to over 20 dwelling units per acre. An ABAG informational bulletin on Housing Element Site Inventories and “buffer” units is included as Attachment 6.

*Affirmatively Affirm Fair Housing:*

Local jurisdictions must “Affirmatively Affirm Fair Housing” (AFFH) in the current Housing Element cycle. AFFH means each jurisdiction has the obligation to affirmatively further Fair Housing consistent with the Civil Rights Act of 1968 ("the Fair Housing Act") by taking meaningful actions to combat patterns of segregation that restrict access to opportunity based on protected characteristics. These include:

- Race
- Color
- National origin
- Religion
- Sex (including gender identity and sexual orientation)
- Familial status
- Disability

Fortunately, according to ABAG, American Canyon is the fifth-most integrated jurisdiction in the Bay Area (source: <https://bit.ly/3exJ6ZM>). As an inclusive city, many AFFH issues have already been addressed through American Canyon’s local ordinances, such as requirements to relax the development regulations and streamline the approval process for accessory dwelling units, support of Napa County Continuum of Care, annual support for Fair Housing Napa Valley and other programs. New policies are interwoven throughout the Element, but the specific AFFH analysis is provided in Chapter 4, with specific Goal H-8.

*Public Input on the Draft Housing Element*

Pursuant to California Government Code Section 65583(c)(9), local governments are required to “make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element.” This process not only includes community members, but also participation from local agencies and housing groups, community organizations, and housing sponsors. See Chapters 1 and 7 for an overview of Community Engagement.

To meet these requirements, American Canyon solicited input from stakeholders and community members through stakeholder interviews, community pop-up events, workshops, a housing survey, a project-specific website, and public hearings.

To reach the largest and broadest spectrum of community members and stakeholders, the following

notification methods were used throughout the update to the Housing Element:

1. A Housing Element website with background information in English and Spanish, links to the Housing Survey, and the Draft Housing Element
2. Advertisement in the City Manager's Update, which has 13,543 subscribers.
3. Regular posts to the City's social media accounts, including NextDoor (7,225 members) and Facebook (5,159 followers) announcing the housing survey and community workshops.
4. Regular "e-blasts" to list of 2,070 stakeholders, including organizations, businesses, housing managers, and community members.
5. Community workshops advertised on the community calendar events and public meeting agendas.
6. Distributed printed flyers and postcards, and surveys in English, Spanish, and Tagalog at pop-up events.

### *Housing Survey*

The Housing Element website hosted an online survey for 127 days (from January 10, 2022, to May 16, 2022) to receive public feedback on housing needs, current housing conditions, and opportunities for housing programs. The survey was available in Spanish and English. We received 166 survey participants.

Forty percent of the survey respondents stated they own a home in American Canyon. Nearly sixty percent of the survey respondents stated that lack of affordable housing purchase options is their top concern. Thirty-six percent of the survey respondents stated that lack of affordable rental housing is their top concern.

Participants input followed these major themes:

- The biggest housing needs facing American Canyon are lower-priced housing and opportunities for first-time homebuyers.
- The future of American Canyon's housing needs are primarily more housing options priced so that younger families can afford to live in the city and repairs for older homes.
- A need to promote equal access to fair housing choice as well as fair housing education and landlord/tenant counseling services.
- A need for down payment assistance programs, as well as low-cost home repair programs.
- Needed accessory dwelling unit programs include advice on planning an ADU and financial assistance.

Additionally, between January and August 2022, a second mini-survey was conducted during community pop-up events including American Canyon Middle School, American Canyon High School, Adult Activity Center, Pride, Juneteenth, Meet Me In The Street (2 events), and National Night Out.

The mini-survey was available in digital and print versions in English, Spanish and Tagalog that allowed the public to provide feedback on the most important housing issue. Fifty-one percent of

the respondents stated that they own a home in American Canyon. Fifty-six percent of the respondents from the survey stated that lack of affordable housing options to buy is their top concern.

The surveys provided local and qualitative context to quantitative data collected for the Housing Needs Assessment and Assessment of Fair Housing, and informed program design.

### *Tribal Consultation*

California Public Resources Code §21080.3.1 (Assembly Bill [AB] 52 of 2014) requires local governments to conduct meaningful consultation with California Native American tribes traditionally and culturally affiliated from the geographic area.

In March 2022, the City reached out to the Cortina Band of Indians, the Federated Indians of Graton Rancheria, and the Yocha Dehe Wintun Nation. The Yocha Dehe Wintun Nation requested a consultation which occurred on August 8, 2022. As a follow-up to the meeting, the Yocha Dehe Wintun Nation Cultural Resources Department informed staff in a letter dated August 18, 2022 that they have concerns projects related to the Housing Element could impact known cultural resources.

To address these concerns, the Yocha Dehe Wintun Nation Cultural Resources Department requested the City incorporate Yocha Dehe Wintun Nation's Treatment Protocol into mitigation measures for the project. A copy of the letter, which includes the protocol is included as Attachment 7. Staff incorporated the Treatment Protocol into the project by adding AFFH Housing Element Policy H-8.12 below:

**Policy H-8.12 Yocha Dehe Wintun Nation Treatment Protocol** . In the event any Native American human remains, grave goods, ceremonial items, and items of cultural patrimony are found in conjunction with development, including archaeological studies, excavation, geotechnical investigations, grading, and any ground disturbing activity, the "Yocha Dehe Wintun Nation Treatment Protocol for Handling Human Remains and Cultural Items Affiliated with the Yocha Dehe Wintun Nation" shall be implemented as included as Appendix A to the Housing Element.

The Yocha Dehe Wintun Nation Treatment Protocol was incorporated into the Housing Element as Appendix A. Staff subsequently met with Yocha Dehe Wintun Nation representatives on January 12, 2023 and received concurrence with this approach to address Yocha Dehe Wintun Nation tribal cultural resources for the Housing Element.

### *Stakeholder Interviews*

To gather local expert-level knowledge and input on the Housing Element Update, three focus group interviews were conducted on March 14, 21, and 25, 2022. The City contacted 168 stakeholders, including organizations, businesses, housing managers, and community members.

The following organizations serve special needs households and renters, providing affordable

housing, or offer fair housing services, and participated in stakeholder interviews:

**Focus Group #1** - Affordable Housing and Market-Rate Housing Developers Working in American Canyon and Napa and Sonoma Counties (March 14, 2022)

- Charles Durrett, Architect
- Rick Hess, RH Hess Development
- Andrew Killeen, Executive Director, Sonoma Napa Habitat for Humanity
- Adam Lind, Project Manager, DR Horton
- Erica Roetman Sklar, CEO, Napa Valley Community Housing

**Focus Group #2** - Fair Housing Providers, Interest Groups, and Representatives of Special Needs Populations (March 21, 2022)

- Elaine Clark, Executive Director Napa/Solano Area Agency on Aging
- Tracy Lamb, Executive Director, NEWS Domestic Violence & Sexual Abuse Services
- Pablo Zatarain, Executive Director, Fair Housing Napa Valley

**Focus Group #3** - Housing and/or Service Providers Working in American Canyon (March 25, 2022)

- Lark Ferrell, City of Napa (staff to the Housing Authority of City of Napa which contracts with American Canyon for housing services)
- Ali Gaylord, MidPen Housing, Director of Housing for North Bay
- Renee Schomp, The Napa Sonoma ADU Center

Each stakeholder interview consisted of at least five guided discussion questions. Interview notes are available in the Housing Element, Chapter 7.

The following major themes were informed from the stakeholder interviews:

- There is a need for more properties with mixed use zoning.
- Affordable housing projects located near services are more likely to qualify for state funding.
- Development standards should allow for greater flexibility.
- Funding is a larger barrier than zoning in getting affordable housing built. State or Federal grants applications that include a local share are more competitive.
- Parking requirements are viewed as necessary because the community is still largely auto dependent. But parking requirements may prevent projects from achieving the maximum density.
- Infrastructure costs are a significant barrier to affordable housing. The city could facilitate affordable housing developers by publicly funding infrastructure, building infrastructure, or conducting infrastructure studies.
- Most special needs populations struggle to find housing (i.e.: homeless, those with mental or physical disabilities, large families, seniors, farmworkers, and very low-income households). Participants noted that much progress has been made on providing homes for veterans experiencing homelessness.

Data gathered from the focus Stakeholder interviews informed policy and program design. See

Housing Needs Assessment, the Assessment of Fair Housing (Chapter 4).

*Goals, Policies and Programs:*

An overarching objective of the 2023-2031 Housing Element update is to make the goals, policies, and programs more streamlined and straightforward, resulting in a more effective plan that is easier to understand and implement, and better aligned with State law.

The Housing Element includes nine goal statements. Under each goal statement are policies to help the City achieve that goal. Implementation programs, listed at the end of the Policy Document, describe the specific actions the City will take to achieve its housing goals. The implementation programs also identify the City agencies or departments with primary responsibility for carrying out the program and the time frame to accomplish the program.

The draft Housing Element goals provide an organizing framework for policies and programs that follow. The updated draft goals are:

1. Housing Supply
2. Balance of Housing Types
3. Livable Neighborhoods
4. Housing Maintenance and Rehabilitation
5. Affordable Housing
6. Preservation of Affordability
7. Housing for Special Needs
8. Affirmatively further fair housing opportunities for all persons.
9. Energy Conservation and Sustainable Development

New and updated policies and programs falling under these updated goals commit the City to monitor meaningful actions that implement housing goals, consistent with State law. The goals and policies are found at the beginning of the Housing Element.

*Implementation Program*

The Housing Element Implementation Programs include specific actions the City will undertake during the 8-year Housing Element cycle. Affirmative actions include a variety of tasks. Examples of implementation programs in the draft Housing Element include:

- **Monitoring housing programs:** (i.e.: monitoring residential zoning capacity to ensure the RHNA can be achieved; monitor progress toward program objectives and implement additional measures if metrics are not being met; monitor affordable units at-risk of the affordable term expiring, etc.)
- **Enforce existing ordinances:** (i.e.: Mobilehome Park Rent Stabilization Ordinance; Fair Housing enforcement, Code Enforcement, enforce the Electric Vehicle Charging Station Ordinance)
- **Amend the Municipal Code:** (i.e.: allow low barrier navigation centers per Government Code

Sections 65660 and 65668 (AB 101); Allow small residential care facilities in the RRH zone in compliance per California Government Code Section 65583; define and create a process to permit large residential care facilities, and manufactured housing subject only to the restrictions of single-family uses; Update Chapter 19.27 (Density Bonus) per California Government Code Sections 65915 through 65918; update the Accessory Dwelling Unit Ordinance).

- **Establish Performance Standards:** (i.e.: encourage 15 ADUs by 2031; support 4 missing middle density housing developments by 2031; support 15 moderate income units in moderate and high resource areas by 2031; assist at least 60 households with substandard housing identified through code compliance with a Residential Rehabilitation Loan)
- **Outreach:** (i.e.: Provide ADU, Residential Rehabilitation Loan informational materials in multiple languages on the City website; informational workshops, conduct bi-annual coordination meetings with local affordable housing providers; contact tenants subject to a condo conversion and provide education regarding tenant rights and conversion procedures pursuant to California law).
- **Provide Funding for Programs:** (i.e.: rehabilitation financing assistance for at least 5 households annually until 2031; provide financial assistance for development of at least 65 moderate and lower-income housing units by 2031; evaluate sources of additional public funds for affordable housing; facilitate CDBG funds for improvements to support development of 40 lower- and moderate-income housing units by 2031).
- **Partnerships:** (i.e.: explore potential funding opportunities and public-private partnerships with affordable housing developers and non-profit housing agencies; partner with the City of Napa for affordable housing expertise; every two years solicit potential revisions to the Inclusionary Housing Program to address housing constraints with market rate developers and organizations that represent low-income households.

All 38 programs will be evaluated every year during the Housing Element Annual Report. Each year, the report is reviewed by the Planning Commission and City Council. The approved report is sent to HCD and the State Department Office of Policy and Research (OPR).

#### *Next Steps*

Staff has requested HCD provide preliminary input on the Housing Element, and the 90-day HCD review period is scheduled to be satisfied in February. Like most jurisdictions, staff anticipates timely written comments from HCD.

Staff will respond to timely input received from HCD and, if necessary, revise the Housing Element accordingly to ensure the Housing Element meets the "substantial compliance with state law" threshold and pursue final certification by HCD. If HCD calls for significant changes to the Housing Element, staff will return the Housing Element to the Planning Commission and City Council for modification.

## **COUNCIL PRIORITY PROGRAMS AND PROJECTS**



Organizational Effectiveness: "Deliver exemplary government services."

## **FISCAL IMPACT**

The Housing Element has been funded in the current Fiscal Year budget.

## **ENVIRONMENTAL REVIEW**

The draft 6th Cycle Housing Element is exempt from the California Environmental Quality Act (CEQA) pursuant to Categorical Exemption CEQA Guidelines §15061(b)(3) as the Housing Element has no potential to cause a significant effect on the environment; CEQA Guidelines §15060(c)(2) as a project that will not result in a direct or reasonably foreseeable indirect physical change in the environment.

## **ATTACHMENTS:**

1. PC Resolution Housing Element
  - 1.1. Exhibit A Draft Housing Element 11.14.22
2. CC Resolution Housing Element
  - 2.2. Exhibit A Draft Housing Element 11.14.22
3. Summary of 5th Cycle Policies
4. RHNA Letter American Canyon
5. RHNA Compliance Table
6. RHNA Buffer Document
7. Yocha Dehe Protocols-03152022-04