

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 08/25/08		Item Number: <u> A-2 </u>	
AGENDA ITEM: Authorization to Submit the Draft 2008 Housing Element to the State for Review by the Department of Housing and Community Development.			
Contact Person/Dept.: Jose Mendivil and Susan Yun		Phone Number: 310-253-5757 and 310-253-5755	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Mailed Citywide (over 17,000 addresses), Culver City Organizations, Housing Advocates, Developers, and Attendees of the Joint Study Session (08/8/08); Notice of Public Meeting was published in the Culver City News (08/14/08 and 08/21/08); Master E-Mail Notification List (08/20/08).			
Department Approval: Sol Blumenfeld (08/12/08)		City Attorney Approval: Carol Schwab (by H. Baker) (08/20/08)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (08/20/08)		City Manager Approval: Jerry Fulwood (08/20/08)	

RECOMMENDATION:

Staff recommends the City Council authorize the submission of the Draft 2008 Housing Element to the California State Department of Housing and Community Development (HCD or State) for its 60-day review as required by state law.

BACKGROUND:

All cities and counties in California are required to adopt a comprehensive General Plan to govern land use planning decisions. State law requires that the General Plan contain seven mandatory elements, including a Housing Element. The Housing Element is the only General Plan element that is required to be updated regularly, at six-year intervals. In addition, State law mandates that cities submit their Housing Elements to HCD for review prior to adoption. Per State law, the Housing Element must demonstrate how the City will address new housing needs, rehabilitation of the current housing stock where necessary, and preservation of existing affordable housing.

The City's current Housing Element was adopted in 2001 and was subsequently certified by HCD as meeting all the requirements of State law. The new Housing Element covers the period 2008-2014. This Housing Element "cycle" commenced in July 2007 when the Southern California Association of Governments (SCAG) approved the Regional Housing Needs Assessment (RHNA) allocation for the period 2006-2014 (sometimes referred to as a "planning period or cycle"). The RHNA

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identifies the new housing needs for all economic levels in each city and county within the six-county SCAG region¹ during this planning period.

After receiving Culver City's RHNA new housing needs allocation from SCAG, the City Council approved a professional services agreement with a consultant (Conexus) to assist in drafting the Housing Element. In addition, a Joint City Council/Planning Commission Housing Element Subcommittee was formed so that there would be a forum for feedback, status updates, and guidance on policy issues throughout the Housing Element update process. Over a period of several months, staff, the consultant, and the Subcommittee met several times to review data and survey results and update draft objectives, policies, and programs to reflect current conditions and incorporate recent changes to State law.

On June 30, 2008, a Joint Study Session was held to allow the public to review and comment upon the draft Housing Element and to allow the full body of the City Council and Planning Commission to also review and comment upon the draft Housing Element. At the Study Session the City Council gave staff direction to revise the Draft Housing Element based on comments made at the joint meeting. The purpose of tonight's meeting is to receive authorization from the City Council to submit the revised Draft Housing Element the State for their review.

DISCUSSION:

Overview of Housing Element - June 30th Study Session Agenda Item Report

Attachment No.1, the Agenda Item Report for the June 30th joint study session, provides an overview of the Draft Housing Element including a summary of the document's chapters and appendices, a discussion on RHNA, and a review of the objectives and measures of the Draft Housing Element.

Comments and Revisions to the Draft Housing Element

At the June 30th Joint Study Session, approximately 25-30 people attended and provided comments along with the City Council and Planning Commission. The key issue raised at the Study Session was that the City's Housing Element demonstrates to the State the City's commitment to affordable housing. Equally important was the issue that the character of existing residential neighborhoods be preserved. After discussion of these issues, the Planning Commission and City Council, for the most part felt that the draft Housing Element was adequate and addressed the State requirements for certification. Minor revisions and clarifications to the draft

¹ The SCAG region is comprised of Los Angeles, Orange, Riverside, San Bernardino, Imperial and Ventura counties.

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document were made based on comments and questions received at the study session.

It should be noted that not all comments received at the Study Session necessitated changes or revisions to the Draft Housing Element. Attachment No. 2, Table D-1 from the Draft Housing Element, provides a summary of the June 30th Study Session comments from the City Council, Planning Commission, and general public and staff response to those comments. Key changes, in response to comments, are summarized below.

Categorization of Properties as “Underutilized” in the Land Inventory Analysis. The City Council and Planning Commission wanted staff to explain within the document the meaning of the word “underutilized”. There was concern that properties listed as underutilized within the Land Inventory tables would be misconstrued to indicate that they are not being used at all and that they will be developed with housing. Staff explained that “underutilized” only refers to the fact that properties either have no housing (but are developed for commercial uses) or have less housing than the Zoning Code allows. The State when which will be reviewing the Draft Housing Element, considers such properties as “underutilized”. This does not mean that those sites will be developed with residential units because property owners have the right to develop their properties as they see fit.

The Preface to Housing Element, 2nd paragraph, contains an explanation of the Land Inventory Analysis and Appendix B has an added 1st paragraph that expands on the explanation of “underutilized”; in both cases “underutilized” is explained as properties with the potential for some additional housing development according to the current zoning, and does not indicate that those properties must be developed for housing. In other words, inclusion of a parcel on the list of underutilized properties has no effect on current laws and regulations regarding the future use and development of the site.

Affordable Housing, Housing for Caregivers/Young Professionals, Workforce Housing, and Life Cycle Housing. The City Council and Planning Commission wanted staff to address as policies or measures in the Draft Housing Element, housing for caregivers/young professionals, workforce housing, and life cycle housing. Life cycle housing refers to the notion that residents continue to live in the City as they age and their housing needs change. For example, a single, young professional lives in a condominium or apartment, then marries and moves into a single family home to start a family, and finally moves back into a condominium or apartment (or possibly assisted living), upon retirement when all the children have grown and moved away - all this occurring in the same City.

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- *In Chapter V, Policy 2E was revised to include a provision for “life-cycle housing” and housing for young professionals,*
- *In Chapter V, two new policies, 4.J and 4.K, that encourage housing for caregivers and the elderly (who may need in-home caregivers) were added;*
- *In Chapter V, A new Measure 2J was added regarding workforce housing.*

The Draft Element as an “Enforcement Document”. The City Council and Planning Commission wanted staff to revise the “Introduction to the Housing Element” page which stated that the Draft Housing Element was not an enforcement document. The concern was over interpretation of the General Plan and whether or not it can be considered a document that has the force of law like the Zoning Code. Rather than state something that could be misconstrued, the City Council and Planning Commission asked that the enforcement reference be taken out.

The “Introduction” was re-named “Preface to Housing Element” and was relocated to just before the 1st page of Chapter I; the 2nd paragraph of the Preface was revised by eliminating previous language characterizing the document as not having enforcement capability.

Listing of Approved Mixed Use Projects As Affordable. Two approved (but not yet constructed) mixed use projects are listed in the Land Inventory Tables and have densities that are above the State “Default Density” of 30 dwelling units per acre. For the State, projects or developable land with densities that are equal to or greater than the Default Density are considered able to accommodate affordable housing and cities can categorize such sites as affordable. Staff listed the two approved mixed use projects as affordable. The City Council and Planning Commission did not feel comfortable submitting a document to the State that lists these two mixed use projects as affordable housing projects when it is known that those projects have no affordable components.

Chapter III, Table III-2 and Appendix B, Table B-2, were revised by moving some approved mixed-use dwelling units from the Very Low/Low category to the Above Moderate category. Even with these reductions in potential new affordable units, Table III-2 still demonstrates the City’s ability to accommodate its RHNA allocation.

“At-Risk” Analysis in Appendix C. A member of the audience and the City Council and Planning Commission expressed concern about having the “At Risk” analysis in Appendix C. They thought that given the importance of the “At Risk” analysis, it should be in the main body of the document.

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The “At Risk” analysis that was previously in Appendix C was moved to the main body of the document and was specifically relocated under subsection F of Chapter II; Appendix C was revised accordingly.

Methods to Implement the Housing Element and the Housing Strategy. The City Council and Planning Commission were concerned about how the City could implement the Housing Element and wanted to know what was new in this Element as compared to the last Element. Staff indicated that the Housing Strategy is the most significant new feature of the Housing Element since it identifies potential sites for new affordable housing development to be initiated by the City’s Redevelopment Agency. The City Council and Planning Commission instructed staff to specifically call out and name those measures that implement the Housing Strategy.

In Chapter V, Measures 2F, 2G and 2H were revised to specifically call out the new Comprehensive Housing Strategy.

Documenting Comments. The City Council and Planning Commission wanted to be sure that their comments and comments by the public (as well as staff responses to those comments) were included in either the Agenda Item Report or the Housing Element.

A new Appendix D has been added that summarizes the public/Council/Commission comments from the June 30th Study Session.

Other Revisions. The following are further revisions to the document that are editorial in nature.

- *In Chapter III, Subsection C, Energy Conservation, language was added that describes the Solar Photovoltaic Ordinance.*
- *In Chapter IV, Table IV – 5, Summary of Development Fees, was revised to reflect the new fees that became effective on August 22, 2008.*
- *In Chapter V, Measure 5D was revised by eliminating language that calls for “distribution” of property information.*
- *In Chapter V, Table V-2 was revised to be consistent with the revisions to the Measures noted above.*
- *The Glossary is now in Appendix E (formally Appendix D).*

Concern over Protection of Existing Neighborhoods from Development

The Draft Housing Element has in its Goals, Objectives, Policies, and Measures, language that specifically calls for the protection of the character of existing neighborhoods. Specifically within Chapter V, Goal 1, Policy 1.B, Policy 2.B, Policy

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2.C, Measure 1I, and Measure 1J all address in some form the preservation of existing neighborhoods and maintenance of their character.

City's Performance During Last RHNA Cycle/Consequences for not Achieving Goals

The City Council and Planning Commission asked about the City's performance in the last RHNA cycle and consequences if RHNA targets are not achieved. The City did not construct the number of dwelling units as called for by RHNA during the last RHNA Cycle. However, it must be recognized that cities do not build housing, and therefore a variety of factors, including general economic conditions and property owner intentions, affect when and what type of development occurs. If a City has adopted policies and measures in the Housing Element and development standards and allowed densities in the Zoning Code that accommodate a variety of new housing as called for in the RHNA, then a shortfall in housing production as compared to the level of need will not result in any action against the city.

Age and Validity of data sources - 1980 and 1990 Data

There was some discussion at the Study Session about data, its age, and other data sources. Data sources used in the Housing Element such as the 2000 U.S. Census and 2007 California Department of Finance, are standard sources acceptable to HCD and considered adequate for this Housing Element update. Chapter II was not revised to include 1980 and 1990 data because while such data may be interesting to some, it is not required by HCD for certification of the Housing Element. At this stage in the process, adding the 1980 and 1990 data and revising the analysis to reflect this information would delay the City's submission of the document to HCD.

Affordable Housing in the Form of Inclusionary Housing

Both the general public and some members of the City Council and Planning Commission inquired about inclusionary housing, which is a requirement for a certain percentage of dwelling units to be reserved for households of low- or moderate-income. In lieu of providing affordable units, inclusionary ordinances typically allow a developer to pay a fee that would be put into a trust fund for new affordable housing construction or conversion of existing units to affordable rents or prices.

Inclusionary policies are left to the discretion of each jurisdiction in state law, therefore the Council, if it wishes, may instruct staff to include a measure directing staff to prepare an inclusionary ordinance for Council consideration, or conduct a study of the feasibility of an inclusionary housing ordinance.

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OPPORTUNITIES FOR PUBLIC INVOLVEMENT

Public participation is an essential part of the planning process in Culver City. An initial public workshop was held in the Council Chambers on February 26, 2008 as well as the June 30, 2008 Study Session. In addition, as described below in the "Conclusion" section, following HCD review, there will be additional opportunities for public input at the future Planning Commission Adoption Hearing and a City Council Adoption Hearing. For each of these meetings there will be a City-wide residential mailing and notification of Culver City organizations, housing developers, and Westside Housing advocates.

FISCAL ANALYSIS:

There is no fiscal impact associated with the authorization for submission of the Housing Element to the State for their review; this is part of the Housing Element update budget and does not require action on the part of the City that would necessitate expenditure of City funds at this time.

CONCLUSION:

Staff requests that the City Council authorize transmittal of the draft 2008 Housing Element to HCD for their 60-day review. Following receipt of HCD comments, a revised draft Housing Element will be prepared and public hearings will be scheduled before the Planning Commission and City Council for final review and adoption of the Housing Element.

ATTACHMENTS:

1. June 30th Study Session Agenda Item Report
2. Summary of Comments and Responses from June 30th Study Session (Table D-1 Public Participation Summary)
3. Draft Housing Element dated August 25, 2008 (delivered to Council under separate cover)

MOTION:

That the City Council:

Authorize staff to submit the Draft 2008 Housing Element, as revised by staff, to HCD for their review.