

SUBJECT:	An application for a General Plan amendment (GPA 24-001) to repeal the March 2023 Housing Element and adopt the City's Housing Element Update for the period of 2023-2031 (6th Cycle), in compliance with State housing element law.
DEPARTMENT:	Community Development Department
STAFF:	Erik Nolthenius, Planning Manager Jennifer Hagen, Senior Planner

## TITLE/RECOMMENDATION

Staff recommends that the Planning Commission adopt Resolution No. 23-005 recommending the City Council approve a General Plan amendment (GPA 24-001) to repeal the March 2023 Housing Element and adopt the City's November 2023 Submittal to the California Department of Housing and Community Development (HCD) for the period of 2023-2031 (6th Cycle), in compliance with State housing element law.

The amendment is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that there is no possibility that the amendment may have a significant effect on the environment.

#### APPLICANT

City of Brentwood

#### **GENERAL PLAN**

Citywide

## ZONING/SURROUNDING LAND USES

Citywide

## **PREVIOUS ACTION(S)**

Previous Action by the City Council and Planning Commission is included in Attachment 1.

#### BACKGROUND

The City formally initiated the 6th Cycle (2023-2031) Housing Element Update (HEU) in October 2021 with substantive public meetings beginning in April 2022. Since then,



there have been a number of opportunities for the public to participate and provide comments, including ten public workshops, outreach events, and hearings before the Planning Commission and City Council to review key components of the Housing Element. After initial review and public input, the first Draft Housing Element was submitted to HCD on October 17, 2022. On January 13, 2023, HCD provided its formal response letter to City staff with comments on the initial draft.

On February 14, 2023, staff presented the City Council with HCD's comments on the first draft Housing Element Update and requested direction and input on specific goals and policies to be incorporated into a revised second Draft Housing Element. An additional hearing was then held before the Planning Commission on February 28, 2023. The City Council adopted the second Draft Housing Element and authorized resubmittal to HCD on March 14, 2023. After public input and adoption, the second Draft Housing Element was submitted to HCD on March 17, 2023. On May 16, 2023, HCD provided its formal response letter to City staff with comments on the second draft.

On August 8, 2023, staff presented the City Council with HCD's comments on the second draft Housing Element Update and requested direction and input on three of the comments provided by HCD regarding new or modified programs that had the potential to impact future City policies. After receiving City Council direction, as well as additional public input, the third Draft Housing Element was submitted to HCD on November 3, 2023. On January 2, 2024, HCD provided its formal response letter to City staff. The letter stated that the City's draft Housing Element was in substantial conformance with State law and that the revised draft submitted to HCD on November 3, 2023, met all of the statutory requirements described in HCD's May 16, 2023, review letter. Staff has included the final HCD letter for reference as Attachment 2.

The Housing Element (attached for reference) put forth for Planning Commission review represents a culmination of the process to date incorporating responses to all of HCD's comments, as well as feedback and direction from the City Council.

## DISCUSSION

The Housing Element is one of seven State-mandated elements of the City's General Plan and is a comprehensive statement by the community of its current and future housing needs and proposed actions to facilitate the provision of housing to meet those needs at all income levels. Rising housing costs are not just a statewide or regional issue, but directly impact Brentwood residents and those faced with rising housing prices and increased incidence of homelessness.

Periodic updating of the Housing Element is required by State law; and thus, the Element provides a vehicle for the State's housing goal of "attaining decent housing and a suitable living environment for every California family," as well as incorporating the unique concerns of the community. The previous Housing Element, which was adopted by the City Council and certified by the State in 2015, covered the planning



period from 2015-2022 (the 5<sup>th</sup> Cycle). The current Housing Element Update (the 6<sup>th</sup> Cycle) was technically required to be adopted by January 31, 2023, to address the period from 2023-2031. It was ultimately adopted on March 14, 2023.

State law establishes a series of very specific requirements as to the scope, content, and process by which a Housing Element is updated and adopted, including review and approval (known as certification) by HCD.

Unlike the majority of the other required General Plan elements, the Housing Element must include very specific information to ensure compliance with the variety of complex housing laws. In accordance with State law, Brentwood's Housing Element must look at housing trends, zoning and market constraints, and evaluate various approaches to meeting housing needs across income levels. The inventory of available sites, or "Sites Inventory," is a key component of a Housing Element in which the City must identify land zoned for housing to meet the Regional Housing Needs Allocation (RHNA). Local governments must involve the public from all economic segments of the community in developing the Housing Element.

# What Are the Components of the Housing Element?

Pursuant to Government Code Section 65583, local governments are required to include the below items as components within their Housing Elements, and subsequent updates thereto.

**Section 1: Introduction** – This section contains a summary of the content, organization, and statutory considerations of the Housing Element.

**Section 2: Community Profile** – This section contains a comprehensive Housing Needs Assessment and analysis of the City's population, household and employment base, and the characteristics of the housing stock.

**Section 3: Housing Constraints, Resources, and Fair Housing** – This section examines governmental and nongovernmental constraints on production, maintenance, and affordability of housing, and provides a summary of housing resources, including sites identification and funding and financial considerations, as well as the Affirmatively Furthering Fair Housing (AFFH) section.

**Section 4: Housing Plan** – This section addresses the City's identified housing needs, including housing goals, policies, and programs.

**Appendix A: Review of Past Performance** – This section reviews the 5<sup>th</sup> Cycle Housing Element update goals and policies, and provides analysis of the City's efforts with respect to achieving those goals, and considers whether the previous goals and policies should be deleted, carried forward, or modified as part of the new update.



**Appendix B: Candidate Sites Analysis** – This section includes the draft sites inventory and analyzes the City's ability to meet current RHNA goals in each income category.

**Appendix C: Summary of Community Engagement** – This section provides a summary of the public outreach that has been undertaken since the start of the Housing Element Update process and will continue to be updated until the adoption of the Housing Element.

**Appendix D: Glossary of Housing Terms** – This section provides a comprehensive glossary of all of the acronyms and terms used throughout the Housing Element.

#### New Requirements for the 6<sup>th</sup> Cycle Housing Element Update

Pursuant to recent State legislation, the following items are now required as part of the Housing Element Update process:

**Affirmatively Furthering Fair Housing (AFFH).** Assembly Bill 686 (AB 686), passed in 2018, created new requirements for jurisdictions to affirmatively further fair housing. According to AB 686, affirmatively furthering fair housing means to take "meaningful actions, in addition to combating discrimination, which overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." This requirement is related to the Federal 1968 Fair Housing Act. The four main goals are to:

- Address significant disparities in housing needs and in access to opportunity;
- Replace segregated living patterns with truly integrated and balanced living patterns;
- Transform racially and ethnically concentrated areas of poverty into areas of opportunity; and
- Foster and maintain compliance with civil rights and fair housing laws.

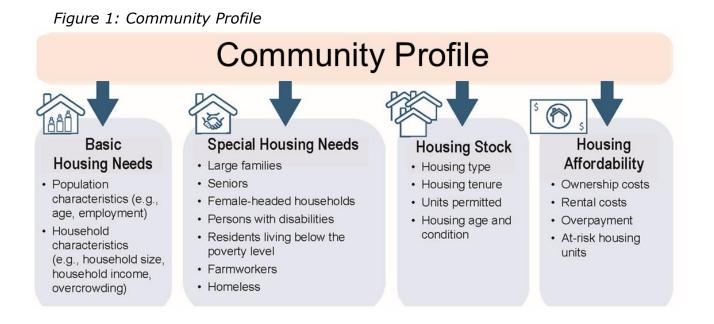
**Public Comment on Draft Revisions.** AB 215 (2021) requires local governments to make the first draft revision of their housing element update available for public comment for at least 30 days. Further, if any comments are received, a local government must take at least ten additional business days to consider and incorporate public comments into the draft revision before submitting to HCD. HCD must review the draft and report its written findings to the planning agency within 90 days of receiving the first draft submittal for each housing element revision or within 60 days of its receipt for a subsequent draft amendment or adoption.



## **Summary of Housing Element Requirements**

The following section summarizes the contents of Brentwood's Housing Element Update for the 2023-2031 Planning Period and the revisions of the three major programs that have been added to Section 4: Housing Plan between the 2<sup>nd</sup> and 3<sup>rd</sup> draft to address all of HCD's comments in compliance with State law.

<u>Section 2 – Community Profile</u>: The Community Profile establishes the foundation for understanding Brentwood's housing needs. It analyzes a range of demographic, economic, and housing-related variables that help define the extent and context of the city's housing-related needs. As illustrated in Figure 1 below, the Community Profile includes an analysis of the city's population, special needs groups, employment, housing stock, and housing affordability. Information in this section provides a basis from which to build housing goals, policies, and programs to address those needs.



**Section 3 - Housing Constraints, Resources, and Fair Housing:** Analyzes and recommends remedies for existing and potential governmental, nongovernmental, and environmental barriers to housing development. In addition, this section also includes the required AFFH section. Figure 2 on the following page illustrates these components, as addressed in this section.



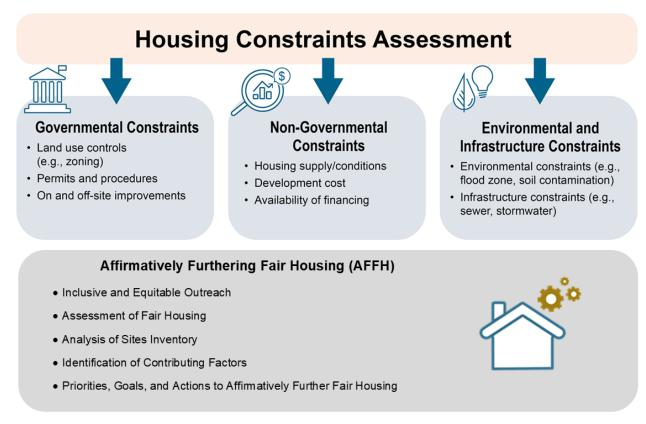


Figure 2: Housing Constraints, Resources, and Fair Housing

As noted above, AFFH is a new requirement for the 6<sup>th</sup> Cycle and is included per the requirements of a 2018 State law (AB 686). AB 686 requires the Housing Element to comprehensively analyze and address patterns of exclusion and segregation (looking both locally and regionally), and to identify meaningful actions and strategies to address those issues and their "contributing factors." The exhaustive AFFH analysis reflects detailed guidance provided by HCD, as well as best practices from other regions that have already gone through HCD review and certification. The analysis relies on both approved data sets, as well as local knowledge and community input. The analysis includes the following:

- A summary of fair housing outreach and capacity that includes all economic segments of the community;
- An assessment of fair housing issues, including integration and segregation patterns, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs for all identified populations. Many of the key issues reflect those identified more generally in the housing needs assessment, including overpayment for housing, particularly among renters, and lack of affordability that is most acute for the lower-wage workforce, the disabled, and seniors. Geographically, the area east



of Brentwood Boulevard is identified as an area where there may be a greater risk for displacement of existing renters and lower-income residents. Lack of access to fair housing resources, especially for those that do not speak English as a primary language, was further identified as a contributing factor in fair housing issues;

- An evaluation of whether the Housing Element's sites inventory improves or exacerbates conditions for fair housing. The analysis concludes that the sites inventory would not worsen fair housing conditions;
- The identification and prioritization of contributing factors related to fair housing issues. Some of the key contributing factors to fair housing issues in Brentwood include the location and type of housing, lack of affordable, integrated housing for persons with special needs, displacement due to economic pressures, community opposition to housing over time, and lack of marketing and language access regarding housing opportunities and resources; and
- The identification of fair housing goals and actions that directly address the City's contributing factors.

**Section 4: Housing Plan:** The goals, policies, and programs (also called actions) are a key component in this section, representing the City's proposed "housing plan" with a focus on actionable steps and measures that the City will undertake to increase affordable housing and preserve and improve existing housing.

There are four main goals, with a corresponding set of policies and programs for each. Whereas the policies help to guide and inform future City decision-making and direction with respect to a broad range of housing-related topics, the programs provide actionable steps to implement the Housing Element's goals and to make further progress towards meeting the regional housing need allocation. Timeframes and responsibilities for each program are indicated in the text. The four main goals in the Housing Plan include the following:

## H.1 - Housing Goal

Facilitate a diversity of housing opportunities to enhance the City's living environment and to satisfy the shelter needs of all Brentwood residents.

## H.2 - Affordability Goal

Encourage housing that is affordable to all socio-economic segments of Brentwood's population.

## H.3 - Equitable Distribution of Affordable Housing Goal

Encourage an equitable distribution of housing for all economic groups throughout the community.

# H.4 - Housing Opportunities Goal



Promote equal housing opportunities for all residents of Brentwood.

In developing the policies and programs, staff used those included in the 5th Cycle Housing Element as a starting point, carrying forward many of the same underlying themes, concepts, and ideas. However, the 6<sup>th</sup> Cycle Draft Housing Element revises and modifies some of the actions to clarify intent, improve specificity, and address new State laws. As a required component of the Housing Element, Appendix A provides a review of the 5th Cycle programs, evaluates the City's progress towards achieving the goals of the programs, and notes whether they have been continued, discontinued, or modified in the update.

**Appendix A - Review of Past Performance:** This Appendix reviews the prior Housing Element to measure progress in implementing policies and programs. It likewise evaluates which programs were successful and should be continued, and which programs were ineffective and should be removed or modified. Examples of recommended modifications include integrating changes to reflect State law updates (e.g., no net loss (SB 166), the Housing Crisis Act (SB 330), supportive housing, environmental justice, etc.) and providing more specificity in terms of City actions.

**Appendix B – Candidate Sites Analysis:** Identifies locations of available sites for housing development to ensure that there is adequate capacity to address the RHNA in each of the affordability categories.

As shown in Appendix B, the City's existing zoning (i.e., residential development capacity that exists currently within Brentwood's residential and mixed-use zoning districts) and "pipeline" <sup>1</sup> of entitled projects is estimated to accommodate approximately 3,103 housing units; this number includes 112 ADUs that are assumed will be built during the Housing Element period.

**Appendix C - Summary of Community Engagement:** Summarizes community outreach and engagement meetings and surveys, with a particular focus on outreach to traditionally underrepresented groups. Included in Appendix D is a summary of input from the initial on-line community survey. The survey concluded in June 2022 and included 526 responses.

**Appendix D - Glossary of Housing Terms:** This final section provides a comprehensive glossary of all of the acronyms and terms used throughout the Housing Element.

## Summary of HCD Comments and Revisions

Based on HCD comments provided in its May 2023 letter, a number of actions/programs were modified or added to the previously adopted Housing

<sup>&</sup>lt;sup>1</sup> HCD defines pipeline projects as residential projects that are approved, permitted, or receive a certificate of occupancy after the beginning of the RHNA period.



Element. Some of the new actions/programs were required per State law, and some are in response to the requirement to address housing constraints. A summary of the three major comments that were provided by HCD that required new or modified programs that have the potential to impact future policies include the following:

#### Mid-Point

The General Plan mid-point policy is described in the *Density Calculation* section of the General Plan (page 9-1 of the Land Use Element) and further detailed in Land Use Policy LU 1-2 (page 9-5). It provides that developments cannot exceed the midpoint of the density range for development proposals in the six residential land use categories excluding the Very High Density residential category without additional, discretionary approval of the City Council. HCD contends that this policy can act as a potential constraint to providing housing for lower-income households. Based on these comments and direction from City Council provided on August 8, 2023, the following program was added to page 4-10 within the attached November 2023 Housing Element:

## **Action H.1t: Mid-Point Policy**

The City shall remove its mid-point policy to remove any added discretion or constraints, such as requiring the exercise of transferable agricultural credits, significant added amenities, extensive off-site public improvements, or other significant improvements for projects requesting densities above the mid-point for all residential land use categories.

#### **Objectives:**

 Adopt Zoning Code/General Plan updates removing discretion or constraints, such as requiring the exercise of transferable agricultural credits, significant added amenities, extensive off-site public improvements, or other significant improvements for projects requesting densities above the mid-point for all residential land use categories.

**Timeframe:** Adopt the Zoning Code/General Plan updates by January 2025

Responsible Agency: Planning Division

Funding Source: General Fund

#### <u>Parking</u>

HCD has also commented that requiring units with smaller bedroom types (e.g., studio and one-bedroom units) to provide two parking spaces is an impermissible constraint on the development of housing. The Housing Element must therefore include a program committing to reducing parking requirements for units with fewer bedrooms. Based on these comments and direction from the City Council provided



on August 8, 2023, the following program was added to page 4-9 within the attached November 2023 Housing Element:

# Action H.1r: Parking Standards for Studios and 1-Bedroom Units

The City shall amend its parking standards for multi-family by requiring 1.5 parking spaces per 1-bedroom units and 1 parking space per 0-bedroom units. The City will also continue to provide parking reductions as needed and for projects that comply with the City's Affordable Housing Ordinance.

#### **Objectives:**

 Adopt Zoning Code updates for multi-family unit parking requirements by requiring 1.5 parking spaces per 1-bedroom units and 0.5 spaces per 0-bedroom units.

Timeframe: Adopt the Zoning Code updates by January 2025

Responsible Agency: Planning Division

Funding Source: General Fund

#### Design and Site Development Review

HCD further commented that the Housing Element must identify and evaluate any approval findings or decision-making criteria for Design and Site Development Review (the City's Design Review application), and based on a complete analysis, the Housing Element should include programs to address or remove the identified constraints. Staff reviewed the current approval findings and decision-making criteria as presently defined in the Municipal Code and determined that, as currently written, they are not all objective and include subjective design criteria that will need to be eliminated or modified to be objective. Based on these comments and direction from the City Council provided on August 8, 2023, the following program was added to page 4-9 within the attached November 2023 Housing Element:

## Action H.1s: CUP and Design and Site Development Review Findings

As part of the Zoning Code Update, the City shall amend approval findings for CUP and Design and Site Development Review applications to replace subjective language with objective standards.

## **Objectives:**

• Adopt Zoning Code updates removing subjectivity in application findings for CUPs and Design and Site Development Reviews.

**Timeframe:** Adopt the Zoning Code updates by January 2025

**Responsible Agency:** Planning Division

Funding Source: General Fund



## NEXT STEPS

Staff recommends that the Planning Commission adopt Resolution No. 23-005 recommending the City Council adopt a General Plan amendment to adopt the revised 2023-2031 Housing Element (November 2023 HCD Submittal) included as Attachment 3 of the attached resolution.

The next key steps in the Housing Element include:

- February 13, 2024 the City Council considers adoption of revised final Housing Element.
- February 14, 2024 If adopted by the City Council, staff submits the adopted Housing Element to HCD.
- April 14, 2024 HCD has up until this date (60 days after adoption by the City Council) to certify the final Housing Element. However, since HCD's substantial conformance letter did not require any additional edits, staff anticipates that this approval may happen sooner.

#### DATE OF NOTICE

Advertisement of this item was published in The Brentwood Press on January 5, 2024. In addition, email notification was sent to all interested parties who have signed up on the City's Housing Element website (<u>brentwoodhousingelement.com</u>). As of January 11, 2024, no comments have been received.

#### ENVIRONMENTAL DETERMINATION

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section §15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the proposed 2023-2031 Housing Element Update would have a significant effect on the environment, in that no new policies adopted modify the density or physical design of housing and so do not have the potential for causing a reasonably foreseeable direct or indirect change in the physical environment.

## ATTACHMENT(S)

- 1. Previous Actions
- 2. HCD letter dated January 2, 2023
- 3. Resolution No. 24-005
  - a. November 2023 HCD Submittal Housing Element