

**2017 ANNUAL PROGRESS  
REPORT ON HOUSING ELEMENT  
IMPLEMENTATION**

**FILE # 71-18-MISC**

# Background

- ❑ April 20, 2015 – Town adopts the 2015-2023 Housing Element Update
- ❑ May 11, 2015 – State certifies the Housing Element
- ❑ State law requires that an annual progress report be provided to the City Council, the State Office of Planning and Research and the Department of Housing and Community Development by April 1<sup>st</sup> of each year.
- ❑ State provides standardized forms for the Annual Report
- ❑ September 2017 – Senate Bill 35 was signed into law which outlines a streamlined process for approving multi-family housing projects if the project satisfies specific planning objectives (e.g.: affordable housing)

# Report Summary

- ❑ Second Units are currently the only source of net new affordable housing units being counted in the 2014-2022 RHNA Planning Cycle
- ❑ The Town issued permits for 15 new residences (although only 4 were net new units) and 9 second units in 2017 – Resulting in 13 net new units
- ❑ Town is on track to meet overall RHNA goal of 121 units for the 2014-2022 Planning Cycle and has already exceeded above moderate income unit goals
- ❑ Town is not producing enough second units to meet the very low, low and moderate income unit RHNA goals

# Summary of Permits Issued

**Table B**

**Regional Housing Needs Allocation Progress**

**Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2014	2015	2016	2017												Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9							
Very Low	Deed Restricted	46															17	29
	Non-deed restricted		3	5	4	5												
Low	Deed Restricted	28															8	20
	Non-deed restricted		1	2	3	2												
Moderate	Deed Restricted	32															7	25
	Non-deed restricted		2	2	1	2												
Above Moderate		15	6	8	11	4											29	-14
Total RHNA by COG. Enter allocation number:		121															61	
Total Units ▶▶▶			12	17	19	13												
Remaining Need for RHNA Period ▶▶▶▶▶																		

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

# Adopted Housing Element Programs

- Modify code to allow employee housing at institutional properties to comply with State Law
- Develop programs to legalize existing rental units, modify parking requirements, reduce or waive fees and allow larger second units
- Allow second units on lots that are less than 1 acre in area
- Support the development of affordable housing for employees at Foothill College

# Conclusion

Town is meeting its overall RHNA number but will likely fall short of its affordable housing allocation numbers

Staff recommends that the Town prioritize the implementation of Housing Element Programs for second units and consider waiving or reducing fees on new second units