

**2018 ANNUAL PROGRESS  
REPORT ON HOUSING ELEMENT  
IMPLEMENTATION**

# Background

- ❑ 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
- ❑ Increased pressure from the state on local jurisdictions to amend codes to increase affordable housing.

# Report Summary

- ❑ Second Units are currently the Town's only source of net new affordable housing units being counted in the 2015-2023 RHNA Planning Cycle
- ❑ The Town issued permits for 22 new residences (8 of which are net new units) and 4 second units in 2018 – Resulting in 12 net new units
- ❑ Town appears on track to meet the overall RHNA goal of 121 units for the 2015-2023 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. |                     | 2015                            | 2016   | 2017   | 2018   |        |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  | 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                              |        |        |        |        |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 | 30                                   |    |
|  | Non-deed restricted |                                 | 5      | 4      | 5      | 2      |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 |                                      | 16 |
| Low  | Deed Restricted     | 28                              |        |        |        |        |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 | 20                                   |    |
|  | Non-deed restricted |                                 | 2      | 3      | 2      | 1      |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 |                                      | 8  |
| Moderate   | Deed Restricted     | 32                              |        |        |        |        |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 | 26                                   |    |
|  | Non-deed restricted |                                 | 2      | 1      | 2      | 1      |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 |                                      | 6  |
| Above Moderate   |                     | 15                              | 8      | 11     | 4      | 8      |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 | 31                                   | 0  |
| Total RHNA by COG. Enter allocation number:  |                     | 121                             |        |        |        |        |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 |                                      |    |
| Total Units ▶▶▶  |                     |                                 | 17     | 19     | 13     | 12     |        |        |        |        |        |  |  |  |  |  |  |  |  |  |  |                                 | 61                                   | 76 |
| 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

- ❑ Prioritize changes to the 2nd dwelling unit regulations based on adopted programs in the Housing Element to allow for the following:
  - ❑ Tandem parking in setbacks on existing paved areas
  - ❑ 2<sup>nd</sup> unit on lots of .75 gross acres or more
  - ❑ Conversion of any portion of an existing residence to a 2<sup>nd</sup> unit
  - ❑ Increase the size of the unit up to the state limit of 1,200 sq.ft.
  - ❑ Waive the pathway fee
  - ❑ Reduce sewer and project review fees
- ❑ Develop a program to legalize existing 2<sup>nd</sup> dwelling units
- ❑ 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 is currently drafting new second unit regulations that will be reviewed by the Planning Commission and eventually by the City Council in the coming months. These regulations are intended to increase production of second units in Town.

Staff recommends that the City Council approve the report and direct staff to forward the report to the appropriate state agencies.