

Capitola Planning Commission

Agenda Report



Meeting: June 1, 2023

From: Community Development Department

Address: Citywide Housing Element Update

Permit Number: 23-0019

APN: Citywide

Housing Element Update 6th Cycle

Environmental Determination: Pending

Property Owner: City of Capitola

Representative: Bret Stinson, RRM Design and Veronica Tam, VTA, Inc.

Background: In accordance with applicable State housing law, local government agencies are legally required to adopt plans and programs for housing that provide opportunities for and do not unduly constrain housing development. The Housing Element, which is one of seven State-mandated components of the City's General Plan, is a mechanism by which the State requires local jurisdictions to provide a variety of housing options and strive toward reaching regional housing needs while maintaining civic and local responsibility toward economic, environmental, and fiscal factors and community goals stated within adopted General Plan documents.

Housing Elements are required to be updated every eight years and must be certified by the State of California Department of Housing and Community Development (HCD) prior to finalization, in order for HCD to ensure that cities are taking necessary steps to promote the creation of housing for all income categories and of all housing types.

The City's current Housing Element was adopted by the Capitola City Council in 2015 and certified by the State of California in 2016 and will be in effect through December 2023. The City is required by law to update the Housing Element for the 2023-2031 planning period (also known as the sixth cycle) and have the updated Housing Element adopted and certified by HCD by December 31, 2023.

On May 12, 2022, the City Council authorized an agreement with RRM Design Group (RRM) for the preparation of the 2023-2031 Housing Element. Staff has worked with RRM to assess existing and projected housing needs, review the existing Housing Element, and commenced work on the updated Housing Element.

Pursuant to applicable State housing law, the City has begun soliciting public input from all segments of the community in the preparation of the Housing Element including stakeholder meetings (November 2022), two community workshops (February 16, 2023 and May 16, 2023), online housing survey (November 2022 – March 2023), Planning Commission meeting (February 2, 2023 and May 4, 2023), City Council meeting (February 9, 2023), and a joint Planning Commission and City Council work session (March 16, 2023).

Discussion: The purpose of this agenda item is to provide the Planning Commission with an overview of the first draft of Housing Element Update that was published on May 10, 2023, for public review and to receive public comment on the draft.

Housing Element Public Review Draft

The public review draft of the housing element update was published on Wednesday, May 10, 2023. Following state law, the public review draft will be available for review for 30 days. During the public review period, multiple opportunities are available for the public to comment on the draft document. On May 16, 2023, a second community workshop was held in which participants provided feedback on the document. Planning Commission will receive a presentation on the public review draft on June 1 and City Council on June 8, with public comment following the presentation. The public review draft is available in print at Capitola City Hall and the Capitol Library and on the city website at <https://www.cityofcapitola.org/communitydevelopment/page/2023-2031-housing-element-update>.

The Draft Housing Element includes five chapter and four appendices, as listed in the table below.

Chapter 1: Introduction	Overview of what a housing element is, the requirements of state law, and sources utilized to create the draft.
Chapter 2: Housing Needs Assessment	Overview of housing needs within Capitola and the region. Trends in population, households, housing stock, assisted housing at-risk, and regional housing needs assessment.
Chapter 3: Constraints on Housing Production	Overview of market, governmental, and environmental constraints associated with housing in Capitola.
Chapter 4: Housing Needs and Opportunities	Analyzes resources available for the development, rehabilitation, and preservation of housing to satisfy Capitola's share of the region's future housing needs.
Chapter 5: Housing Plan	Outlines Capitola's seven housing goals and the policies and programs necessary to implement them.
Appendix A:	Glossary of Terms
Appendix B:	Community Outreach Summary
Appendix C:	Program Evaluation 2015-2023
Appendix D:	Sites Inventory
Appendix E:	Affirmatively Furthering Fair Housing (AFFH)

The following identifies the next steps for the housing element update.

<u>Next Steps</u>	<u>Date</u>
City Council Public Hearing on Public Review Draft	June 8, 2023
Submit Draft to HCD for mandatory 90-day review	June 23, 2023
Conduct Planning Commission and City Council adoption hearing	October/November 2023
Submit document to HCD for Certification	December 2023

CEQA: The housing consultant is currently drafting the CEQA documents for the adoption hearings next fall.

Recommendation: Receive staff presentation on Housing Element Update, receive public comment on the item, and provide feedback on the public review draft. No action is necessary.