

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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June 22, 2009

Ms. Jackie C. Young, Director
Planning and Building Department
Town of Woodside
P.O. Box 620005
Woodside, CA 94062

Dear Ms. Young:

RE: Review of the Town of Woodside's Draft Housing Element

Thank you for submitting Woodside's draft housing element received for review on April 23, 2009. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). Communications with you and Mr. Sage Schaan, Senior Planner, of your staff facilitated the review.

Woodside is commended for its cooperative efforts with Canada College and Redwood City to facilitate the construction of 60 units for the faculty and staff of the college. The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

We appreciate the cooperation and assistance provided by you and Mr. Schaan throughout the course of the review. If you have any questions or would like assistance, please contact Raquel Medina, of our staff, at (916)324-9629.

Sincerely,

Cathy E. Creswell
Deputy Director

Enclosure

APPENDIX

TOWN OF WOODSIDE

The following changes would bring Woodside's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov/hpd. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* available at www.hcd.ca.gov/hpd/housing_element2/index.php, the Government Code addressing State housing element law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households (Section 65583(a)(1)).*

The element did not address this requirement. Pursuant to Chapter 891, Statutes of 2006 (AB 2634), the element must quantify existing and projected extremely low-income (ELI) households and analyze their housing needs. The element may either use available Census Data to calculate the projected number of ELI households, or presume 50 percent of the very low-income households qualify as ELI households (five households). This analysis is essential to formulating specific policies and programs to assist in the development of housing for ELI households. To assist the analysis, see the enclosed Comprehensive Housing Affordability Strategy (CHAS) data and Department's sample analysis from the *Building Blocks*' website at http://www.hcd.ca.gov/hpd/housing_element2/EHN_extremelylowincome.php.

2. *Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, (Section 65583(a)(2)).*

While the element includes overpayment information for all households, it must also identify and analyze overpayment by tenure (renters and owners) for lower-income households. For your assistance, please see the enclosed table with data.

3. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Woodside has a regional housing need of 41 housing units, of which 17 are for lower-income households. To address this need, the Town relies on second units and vacant single-family lots. However, the inventory should also identify and analyze opportunities for multifamily development. For example, the element could identify opportunities in conjunction with school sites or in the commercial center zone, similar to what neighboring communities have made available. In addition:

Infrastructure: While the element discusses sewer capacity (pages 61-63), it must also identify whether sufficient water capacity exists or is planned to accommodate the Town's regional housing need.

Emergency Shelters: Pursuant to Chapter 633, Statutes 2007 [SB 2], the element includes a program to allow emergency shelters within the CC Zone as a permitted use (page 88). However, the element must describe the suitability of the zone for emergency shelters and demonstrate adequate capacity to accommodate the development of at least one year round shelter. See the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

Transitional and Supportive Housing: The element proposes to treat transitional housing consistent with emergency shelter processing. However, pursuant to SB 2, transitional and supportive housing must be permitted as residential uses and only subject to those restrictions that apply to other residential uses of the same type in the same zone. The element must be revised to demonstrate consistency with this requirement. http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

4. *Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels and persons with disabilities (Section 65583(a)(5)).*

Constraints on Persons with Disabilities: While the element discusses the Town has not adopted amendments to the building code that would impact the development of housing for persons with disabilities (page 69), it must also include analysis of potential constraints in zoning and development standards. Specifically, based on our conversation, the Town may have a definition of family that could constrain the development of housing for persons with disabilities. The element should identify and analyze the definition of family and include programs as appropriate. Refer to the Department's memo and the *Building Blocks'* sample analysis at http://www.hcd.ca.gov/hpd/housing_element2/CON_disabilities.php.

Land-use Controls: The element mentions a proposed height limit that prevents residential over commercial uses (page 70). The element should be amended to evaluate the requirement for potential impacts on the cost and supply of housing, variety of housing types and whether the limit further restricts the Town's ability to accommodate its housing needs.

B. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame (Section 65583(b)(1 & 2)).

While the element includes quantified objectives by income group for very low-, low-, moderate- and above-moderate income (page 96), pursuant to AB 2634, it must also include objectives for extremely low-income households.

C. Housing Programs

1. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

As noted in finding A3, the element does not include analysis of infrastructure capacity and zoning to encourage a variety of housing types. Based on the results of a complete analysis, the Town may need to add or revise programs. In addition:

The Accessory living Quarters Program 1 (page 84): Actions to promote the development of second units are critical to address the Town's housing needs for lower- and moderate-income households. While the element includes Program 1 to develop incentives for second units, the program should be revised to include a commitment to annually evaluate the affordability and amend incentives or regulatory concessions as necessary to ensure second units can accommodate the Town's housing needs for lower- and moderate-income households. In addition, the program should discuss how the Town will consider expansion of ordinances to permit affordable rental units and could include commitment to conduct outreach throughout the community to promote second units and coordination with sewer providers to provide priority service to second units as part of Program B1-d.

Multifamily Housing: Identifying zoning for multifamily development is necessary to provide a variety of housing types and housing choices is important to address the housing needs of the Town's workforce and ELI households. In addition, prohibiting multifamily or limiting density is a constraint with significant impacts on the cost and supply of housing. Pursuant to Government Code Sections 65583.2 and 65583(c), the Town is required to make zoning available to encourage and facilitate multifamily development and address and remove constraints. As a result, the element must include programs to identify zoning available for multifamily uses. The Town could consider addressing multifamily housing opportunities through its General Plan update.

2. *Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households (Section 65583(c)(2)).*

The element should include specific commitment to assist in the development of housing for lower-income households, as follows:

Program A2 - b (Alternative Construction): Commit to steps the Town will take after exploring alternative construction methods.

Program B4 – b (Energy Conservation): Explain how the Town will encourage energy saving features in retrofits.

Program D1 (Pooled Efforts): Describe how the Town will:

- support the use of CDBG funds;
- participate in sub-regional housing programs;
- cooperate with surrounding communities and;
- encourage citizens and organizations to undertake housing projects.

3. *Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities (Section 65583(c)(3)).*

As noted in finding A4, the element requires a complete analysis of potential governmental constraints on housing for persons with disabilities. Depending upon the results of that analysis, the Town may need to revise or add programs and address and remove or mitigate any identified constraints.

In addition, while the element discusses the Town has a procedure for providing exceptions to allow persons with disabilities access to housing. Based on our conversation, the procedure is limited to physical access and as a result, the element must include a program to establish a procedure for providing broader exception to zoning and land-use for housing for persons with disabilities. Please see the *Building Blocks*' website for sample program language at http://www.hcd.ca.gov/hpd/housing_element2/PRO_mitigate.php.

D. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort (Section 65583(c)(7)).

The element did not address this requirement. The element must discuss how the Town made diligent efforts to achieve the public participation of all economic segments in the development of the housing element, including organizations serving lower-income households. This discussion should address the City's efforts throughout the preparation, adoption and implementation of the housing element. Please refer to the Department's *Building Blocks* website at http://www.hcd.ca.gov/hpd/housing_element2/GS_publicparticipation.php.

E. General Plan Consistency

The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals (Section 65583(c)(7)).

While the element discusses how consistency will be achieved with the General Plan, it should also indicate how consistency will be maintained during the planning period. The element could include a program to conduct an internal consistency review as part of its annual general plan implementation report required under Government Code Section 65400.

F. For Your Information: Water Sewer Priority

While the element includes Program B1(d) to encourage priority service with the sewer district, for your information, Government Code Section 65589.7 requires local governments to immediately deliver the housing element to water and sewer providers. The Department recommends including a cover memo describing the Town's housing element, including its housing needs and share of the regional housing need (see memo at http://www.hcd.ca.gov/hpd/memo_sb1087.pdf).