



TOWN OF HILLSBOROUGH

San Mateo County
1600 Floribunda Avenue
Hillsborough, CA 94010

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INFORMATIONAL
CITY COUNCIL MEETING
APRIL 12, 2021

AGENDA STAFF REPORT

ITEM SUBJECT: HOUSING ELEMENT UPDATE PROCESS

SUMMARY:

The Housing Element is a chapter of the General Plan that outlines a community’s housing plans and the policies the community has in place to ensure that they will achieve their plan’s goals. Under California law every jurisdiction in the State is required to update the Housing Element of its General Plan every eight years to reflect the jurisdiction’s Regional Housing Needs Allocation or “RHNA” (pronounced *ree-nuh*) numbers. The update must identify the locations where the RHNA housing allocations might be developed, and the supporting policies and strategies that the jurisdiction has developed to ensure achievement of their RHNA target within the current cycle. The Bay Area is currently in RHNA Cycle 5, and in the process of planning for RHNA Cycle 6, known as “RHNA 6.”

The deadline for Bay Area jurisdictions to update their Housing Elements is January 2023. The Town had previously planned to update the larger General Plan (GP) on this same timeline; however, in an effort to ensure that the community has sufficient time to focus on the important topic of housing, the Town is deferring the GP Update project until the Housing Element Update is complete.

RHNA Process

Every eight years the California Department of Housing and Community Development (HCD) develops a state-wide housing needs determination (RHND) number based on projected need in various income categories (see Table 1 below). HCD further breaks the RHND into regional assignments and then allocates a lump number of units to each area’s regional coalition of governments (COG).¹ This number is then assigned by the COG to the various jurisdictions. This is known as the Regional Housing Needs Allocation process.

TABLE 1: Various RHNA Income Levels

Income Level	Family of Four
Very Low Income (0-50% AMI)	\$87,000/year
Low Income (51-79% AMI)	\$139,200/year
Moderate Income (80-119% AMI)	\$208,800/year
Above Moderate Income (120% AMI +)	\$208,801/year +
AMI for San Mateo County = \$174,000/year for a family of four	

¹ The Bay Area’s COG is the Association of Bay Area Governments (ABAG).

In 2019 ABAG established a Housing Methodology Committee (HMC) charged with developing a distribution formula by which to allocate the Cycle 6 RHND number. The HMC was made up of elected officials and staff from each county, as well as stakeholders from housing-related interest groups. The HMC met from October 2019 through October 2020, and in December 2020 presented their proposed methodology to ABAG. In January 2021 the final methodology was approved, and draft allocations were issued to the various jurisdictions in the Region.

RHNA 5 & RHNA 6 Allocations

For the RHNA 5 Cycle (2015-2023), HCD assigned the Bay Area region an RHND total of 187,990 units. For the RHNA 6 Cycle, in June, 2020 HCD assigned the Bay Area region an RHND of 441,176, (2023-2031)—a 135% increase. As may be seen in Table 2, this increase, combined with the HMC’s focus on a jurisdiction’s access to high opportunity areas and proximity to jobs and transportation corridors, resulted in a substantial change to the Town’s allocation over RHNA 5.

TABLE 2: RHNA 5 & RHNA 6 Allocations

Income Level	RHNA 5 Allocation	RHNA 6 Allocation	Increase
Very Low Income (0-50% AMI)	32	153	121 units (378%)
Low Income (51-79% AMI)	17	88	71 units (418%)
Moderate Income (80-119% AMI)	21	87	66 units (314%)
Above Moderate Income (120% AMI+)	21	223	202 units (962%)
TOTAL:	91	554	463 units (509%)

21 Elements

During the RHNA 5 certification process, the Housing Elements of all 21 San Mateo County (SMC) jurisdictions were successfully certified by HCD. This county-wide success was achieved due to the participation of each jurisdiction in an ongoing collaboration effort known as 21 Elements.

The 21 Elements effort allows the 21 SMC jurisdictions to come together on a regular basis to collectively address the region’s housing needs through shared learning, collaboration and coordinated action. The effort is staffed by the planning firm of Baird + Driskell and paid for through contributions made by jurisdictions based on their size. 21 Elements has been underway for over a decade and has been recognized statewide as a best practice for housing planning and policy.

In mid-2020 SMC offered to manage the administration of a collaboration agreement between the 21 SMC jurisdictions, the SMC Department of Housing (DOH), and Baird + Driskell for the provision of coordinated, countywide housing element update support and consulting services. Staff were directed by Council to enter into this cooperative agreement and since that time planning directors and senior planning staff from all 21 jurisdictions in the County have met on a bi-weekly basis to develop a county-wide update and outreach strategy.

Timeline

The timeline for the Housing Element update process can be broken into four key phases:

1. **Preparing to Plan:** Assessing needs; gathering resources (2019)
2. **Planning:** Developing concept; organizing resources; assessing strengths, weaknesses, opportunities, and threats (2020)
3. **Design Development:** Iterative process to refine design/plan (2021)
4. **Construction:** Building of design/plan (2022)

A visual of this timeline and key associated tasks may be seen in the graphic below (larger version may be found at Attachment 1).

BAY AREA RHNA 6 TIMELINE

General Overview w/ Town Actions Included

2019	2020	2021	2022
<p><u>Mid-year:</u> ABAG Housing Methodology Committee (HMC) Formed</p> <p><u>October:</u> HMC Meetings Begin</p>	<p><u>MAY:</u> Town applies for LEAP grant</p> <p><u>JULY:</u> 21 Elements preliminary planning meetings begin</p> <p><u>SEPT:</u> Staff & 21 Elements present HE overview to Council</p> <p><u>OCT:</u> LEAP grant awarded</p> <p><u>NOV:</u> Town enters into Co-op agreement w/ County</p> <p><u>DEC:</u> HMC Releases Proposed Methodology & Allocations</p>	<p><u>JAN:</u> Draft RHNA approved by ABAG</p> <p><u>FEB:</u> Countywide community outreach strategy finalized</p> <p><u>MAR:</u> "Let's Talk Housing" campaign launch; Countywide outreach begins & local outreach plans developed</p> <p><u>APR-2022:</u> Local community conversations & conceptual policy drafting begins</p> <p><u>FALL-2022:</u> CEQA process begins</p> <p><u>DEC:</u> Final RHNA approved by ABAG</p>	<p><u>Q1:</u> Community conversations & drafting of HE continue</p> <p><u>Q2:</u> Implementing ordinance & policy updates begins; CEQA analysis continues; 1st draft of HE released.</p> <p><u>Q3:</u> Final draft of HE released</p> <p><u>Q4:</u> Council adoption of HE and related ordinance & policy updates; adopted HE sent to HCD for final certification by January 2023.</p>

Outreach

Countywide: Let's Talk Housing San Mateo County

On March 10, 2021 the "Let's Talk Housing San Mateo County" (LTH) public outreach campaign was launched, co-sponsored and coordinated by 21 Elements, the San Mateo County Department of Housing (DOH) and the City/County Association of Governments of San Mateo County (C/CAG). The aim of the campaign is to educate residents county-wide about the Housing Element Update process, and to motivate all County communities to come together to develop creative solutions to address our housing issues. The LTH website may be viewed here: <https://www.letstalkhousing.org/>

The LTH effort begins with four informational meetings, which will run through April 2021. These meetings will kick off the outreach process, educating attendees about the Housing Element Update process and associated timeline. Attendees will then join breakout groups based on the City that they are from, where a facilitated conversation will take place to discuss initial reactions, priorities, and concerns of residents. These are introductory meetings meant for everyone, including people who are learning about this planning process for the first time.

The first meeting took place on March 30, 2021 and included the Town of Hillsborough as well as residents from neighboring cities of Burlingame, Millbrae, and the City San Mateo, along with the City of East Palo Alto. Approximately 250 attendees registered from the five jurisdictions, including approximately 60 Hillsborough residents. Unfortunately, the Zoom room for this meeting experienced repeated technical difficulties, including an unintended capping of attendees at 100. When it became evident that the issues could not be resolved, Town staff responded quickly by creating a reliable, Hillsborough-hosted Zoom meeting room and immediately sending notification to registrants with information on how to join. Unfortunately, only half of meeting registrants made it through the technical issues and to the Hillsborough-hosted room.

Due to this, 21 Elements will be hosting a Town-specific “make-up” LTH session which will take place on Tuesday, April 20 @ 6:00 p.m. Registration information for this meeting may be found here: <https://tinyurl.com/LTHHillsborough>. On Thursday, April 22, at 6:00 p.m. 21 Elements will also be hosting a technical discussion on RHNA, for those interested in a “deep dive” into the topic. Registration for this meeting is currently open, at <https://www.letstalkhousing.org/events>.

Local: Town-Specific Communications

2020-Present

While the ABAG Board only recently released official draft allocations (late January 2021), in an effort to prepare the community for the update effort the Building & Planning Department has provided several reports on the Housing Element Update since Mid-2020, as follows:

- May 2020 Council Meeting: The Department requested authorization from Council to apply for a Local Early Action Planning (LEAP) grant to partially fund the Housing Element Update. This grant was awarded in October 2020 in the amount of \$65,000;
- September 2020 Council Meeting: The Department provided Council with an informational report on the update process, and representatives from 21 Elements made a presentation on including information on anticipated draft allocation numbers;
- October 2020 Council Meeting: The Department requested authorization from Council to enter into the county-wide cooperative agreement with 21 Elements;
- January 2021 Special Meeting: The Department shared information about the forthcoming Housing Element update process as a part of the FY 21/22 budget planning work session;
- February 2021 Special Meeting: The Department provided an update to Council regarding the status and anticipated timeline of Housing Element and Update Process as a part of the FY 21/22 goal setting work session;
- March 2021 Council Meeting: The Department presented the CY 2020 Housing Element Annual Progress Report to Council as a duly noticed public hearing, in an effort to increase visibility and transparency around the topic of housing within the Hillsborough Community;
- March 2021 Citizen Communications Advisory Committee (CCAC) Special Meeting: The Department provided the CCAC an overview of the Housing Element update process;
- April 2021 Council Meeting: The Department presented an update to Council on the status of the Housing Element Update process.

In February 2021 the Department also launched the Housing Element Update website and created a 2022 Housing Element e-subscription option on the Town’s “NotifyMe” webpage. These pages may be accessed via the links below:

- Housing Element Update Page
 - <https://www.hillsborough.net/553/2023-2031-Housing-Element-Update>

- NotifyMe e-subscription Page
 - <https://www.hillsborough.net/list.aspx>

The Town has also established a dedicated email account for the update effort. Inquiries may be sent directly to Department staff, as well as to generalplan@hillsborough.net.

Spring 2021

The following Housing Element meetings are scheduled in April and May:

- Friday, April 16, 2021 @ 9:00 a.m.—Coffee with the City Manager
 - No registration required; join the meeting here:
<https://zoom.us/j/99795151718?pwd=MFpBSHpXWHV5STRWN29zdjlzNm03dz09>
Meeting ID: 997 9515 1718
Passcode: 641084
- Tuesday, April 20, 2021 @ 6:00 p.m.—Let’s Talk Housing Kickoff “Re-Do” Meeting
 - Registration required; visit <https://tinyurl.com/LTHHillsborough> to sign up.
- Thursday April 22 @ 6:00 p.m.—RHNA “Deep Dive” Discussion
 - Registration required; visit <https://www.letstalkhousing.org/events> to sign up.
- Monday, May 3 @ 4:00 p.m.—Presentation to the Architecture and Design Review Board
 - No registration required; join the meeting here:
<https://zoom.us/j/95228017552?pwd=MitGanprZnU5alRMcmdiREtHQngxUT09>
Meeting ID: 952 2801 7552
Passcode: 654254

FISCAL IMPACT: There is no fiscal impact related to the acceptance of this report.

ENVIRONMENTAL ISSUES: California Environmental Quality Act (CEQA) Guidelines sections 15378(b)(2) and 15378(b)(5) provide that ongoing administrative activities and organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment do not constitute a “project” as defined by the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) and are therefore exempt from CEQA and no further environmental review is required.

ATTACHMENTS: Bay Area RHNA 6 Timeline

PREPARED BY: Sarah A. Fleming, AICP, Director of Building & Planning
Liz Ruess, Planning Manager

RECOMMENDATION: None; Informational only.

Attachment 1

BAY AREA RHNA 6 TIMELINE

General Overview w/ Town Actions Included

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