



AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Dana Ayers, Community Development Director

DATE: January 4, 2022

SUBJECT: Progress Report on 6th Cycle Housing Element Update and Discussion and Direction to Staff on Draft Housing Element Goals

RECOMMENDATION

Staff recommends that the City Council:

1. Receive the report on recent and upcoming efforts on the 6th Cycle Housing Element Update; and
2. Accept public comment on the Draft Housing Element goals attached to this Agenda Report as **Attachment 1**; and
3. Provide direction to staff on the Draft Housing Element goals.

BACKGROUND

Legislative Context: California Government Code (GC) Section 65302 requires each city and county in the state to have a general plan, a “comprehensive, long-term” plan for the physical development or preservation of lands within or proximate to the jurisdiction’s boundaries. Pursuant to Subsection c of GC Section 65302, each general plan must include, at a minimum, elements addressing land use, transportation/circulation, conservation, open space, safety, noise, environmental justice and housing. The required housing element must:

“...consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, and

shall make adequate provision for the existing and projected needs of all economic segments of the community.” (GC Section 65583)

The housing element of the general plan must have, at a minimum, all of the components listed in GC Section 65583, which are summarized below.

- (a) An assessment of existing and projected needs for housing households of all income levels, including an inventory of the resources and the regulatory and financial constraints to meeting those needs; an inventory of lands suitable for residential development and the jurisdiction’s regional housing needs allocation (RHNA); an evaluation of existing household characteristics and housing stock condition; identification of locations for emergency shelter; and analysis of affordable units at-risk of conversion to market-rate.
- (b) A statement of the community’s goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.
- (c) A program of actions that the jurisdiction commits to implementing during the eight-year housing cycle to achieve the goals and policies of the housing element. Such actions must include, but are not limited to, actions to rezone properties as needed to achieve densities that would accommodate the RHNA; removal of governmental and nongovernmental constraints to the maintenance, improvement, or development of housing for people of all income levels and abilities; and incentives for construction affordable accessory dwelling units. The housing element must also commit to affirmatively furthering fair housing by identifying and correcting disparities in access to housing for all persons, “regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act...and any other state and federal fair housing and planning law.”

The housing element must be adopted every five to eight years by the legislative body of the city or county, following a process of community input and public hearings. The housing element is also the only mandatory general plan element that must also be submitted to the State Department of Housing and Community Development (HCD), who will review and certify the housing element if it is found to be compliant with State law. Noncompliance with housing element legislation of the State could result in a jurisdiction’s loss of eligibility for certain grant funds, fines and financial penalties, or loss of decision-making authority for certain housing development and housing planning projects.

Progress Report on Clayton's 6th Cycle Housing Element Update – Recent Efforts:

The City of Clayton commenced its 6th Cycle Housing Element Update with selection of the consulting firm MIG, Inc., to prepare the Update on May 18, 2021. Since selection of the consultant, City staff and the consultant have:

- Met with stakeholders, members of the City Council and Planning Commissioners to introduce the process and obtain early feedback.
- Held a kickoff study session at a joint meeting of the City Council and Planning Commission on September 28, 2021. At that special meeting, MIG gave an overview of the Housing Element process for the benefit of the public, clarified the roles of the Council and Commission in the Update process, reviewed the community engagement strategy, and received initial comments from the public and decision-makers on the Housing Element Update process.
- Held a community workshop on October 20, 2021. At that community meeting, residents and interested parties were invited to share their experiences and insights about housing in Clayton.
- Opened an online survey to residents and interested parties to share their housing preferences, priorities and opinions about housing in Clayton. This survey was available between November 5 and December 10, 2021, and included an opportunity for respondents to share their vision for the City-owned Downtown Site on the east side of Oak Street between Clayton Road and Main Street. Not all of the over 400 participants who accessed the survey provided responses to all of the questions posed; the most frequently answered question was question 4, which had 103 responses. An overview of the responses submitted to the survey is provided in **Attachment 2**.
- Reviewed past year's Housing Element Annual Progress Reports to the City Council and HCD to evaluate progress made on implementation of currently-adopted Housing Element policies and programs.
- Identified currently vacant and underutilized sites in the City as potential opportunity sites for development of housing to meet Clayton's RHNA. See **Attachment 3** for an overview of identified opportunity sites and their entitled or possible development potential.

Progress Report on Clayton's 6th Cycle Housing Element Update – Upcoming Efforts:

In the coming weeks, staff and MIG will prepare a second online opportunity for community members and interested parties to offer feedback on the Housing Element, and more specifically on the potential housing sites inventory depicted in **Attachment 3**. Using an interactive online platform, participants in the survey will be invited to shift densities and development potential among the various opportunity sites to achieve or exceed the City's RHNA.

Staff and MIG will also be commencing work on the environmental analysis necessary to support the adoption of the Housing Element Update and any related zoning changes, as required by the California Environmental Quality Act (CEQA). The environmental process will begin with release of a Notice of Preparation of an Environmental Impact Report (EIR) later this month, which will start a 30-day window of opportunity for interested public agencies and parties to give input on the scope of the analysis to include in the EIR.

Additionally, staff and MIG will engage the Planning Commission at its meetings to develop the draft policies and programs that will implement the Housing Element goals for which staff and MIG are seeking community input this evening.

DISCUSSION

At the September 28, 2021, joint Planning Commission and City Council meeting, members expressed a desire to be kept apprised of the Housing Element process, and to provide input on the guiding principles of this 6th Cycle Housing Element Update. This Agenda Report provides the progress information requested by decision-makers at that meeting. This agenda item is also a request for the public and City Council to give feedback on the Housing Element goals that will be the foundation on which the Housing Element's policies and programs will be based.

The currently-adopted Housing Element contains six goals. Staff and MIG have suggested seven goals for this Housing Element Update. Proposed goals reflect the same aspirations of the adopted Housing Element, and in some instances are directly carried forward using the same text as that written in the adopted Housing Element. For this Housing Element Update, the suggested goals are:

- Goal I. Maintain and enhance long-established housing and neighborhoods in Clayton while accommodating moderate growth.
- Goal II. Encourage a variety of housing types, densities, and affordability levels to meet the diverse needs of the community, including a mix of ownership and rental units.
- Goal III. Meet the housing needs of extremely low-, very low-, low-, and moderate-income households and increase opportunities for renters and first-time homebuyers.
- Goal IV. Remove governmental constraints and obstacles to the production of housing for all income groups.
- Goal V. Ensure equal housing opportunities for all persons in Clayton regardless of age, race, religion, sex, marital status, national origin, color, disability, or other barriers that prevent choice in housing.
- Goal VI. Encourage and improve energy efficiency in new and existing housing.

- Goal VII. Promote and participate in the resolution of housing, employment, and transportation issues on a regional basis in cooperation with all Contra Costa County jurisdictions.

Attachment 1 lists each of these proposed goals and provides a comparison of the suggested 6th Cycle Housing Element goals with the adopted 5th Cycle Housing Element goals. Policies that could be considered for implementation of each goal are also provided in the table. Through workshops with the Planning Commission and public in the coming months, additional policies and programs could also be developed to facilitate implementation of each suggested goal.

No formal action of the City Council is requested at this time, though community and Council members are asked for their feedback on the proposed goals listed above and in **Attachment 1**. As mentioned above, staff and MIG will engage the Planning Commission at its meetings to develop the draft policies and programs that will implement Housing Element goals. Once the Housing Element Update is drafted, the Planning Commission will be tasked with making a recommendation on the document to the City Council, and the City Council will have authority to adopt the Commission's recommendation as is or with their own revisions. Planning Commission and City Council public hearings to consider adoption of the 6th Cycle Housing Element Update are scheduled to occur in Fall 2022.

FISCAL IMPACTS

There are no fiscal impacts associated with receipt of the Housing Element Update Progress Report or discussion of Draft Housing Element Goals.

ATTACHMENTS

1. Clayton Housing Element: Draft Goals and Example Policies
2. Overview of Housing Element and Downtown Site Online Survey Responses
3. Map of Potential Housing Opportunity Sites

Clayton Housing Element: Draft Goals and Example Policies

December 22, 2021

5 th Cycle Goals	6 th Cycle Draft Goals	Example Policies
	Goal I. Maintain and enhance long-established housing and neighborhoods in Clayton while accommodating moderate growth.	<p>I.1. Neighborhood Preservation. Preserve the architectural and design quality of established residential neighborhoods.</p> <p>I.2. Impacts of New Housing. Consider and mitigate the impacts of new housing on the City's infrastructure, open space, natural resources, and public services.</p>
Goal I. Provide for adequate sites and promote the development of new housing to accommodate Clayton's fair share housing allocation.	Goal II. Encourage a variety of housing types, densities, and affordability levels to meet the diverse needs of the community, including a mix of ownership and rental units.	<p>II.1. Adequate Housing Sites. Maintain and implement land use policies and regulations that accommodate a range of residential housing types that can fulfill local housing needs and Clayton's RHNA.</p> <p>II.2. Variety of Densities and Housing Types. Implement land use policies and standards that allow for a range of residential densities and housing types that will enable households of all types and income levels opportunities to find suitable ownership and rental housing in the City.</p>

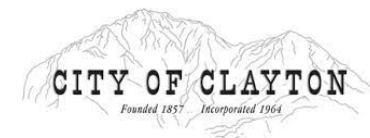
<p>Goal III. Increase housing opportunities for lower-income renters and first-time homebuyers.</p>	<p>Goal III. Meet the housing needs of extremely low-, very low-, low-, and moderate-income households and increase opportunities for renters and first-time homebuyers.</p>	<p>III.1 Special Housing Needs. Encourage the private and public sectors to produce or assist in the production of housing, with emphasis on housing affordable to persons with disabilities, seniors, large families, female-headed households with children, and people experiencing homelessness.</p> <p>III.2. Assistance and Incentives. Facilitate the provision of affordable housing by providing technical assistance, regulatory incentives and concessions, and financial assistance when available.</p>
<p>Goal II. To the extent feasible, remove governmental constraints for affordable and special needs housing.</p>	<p>Goal IV. Remove governmental constraints and obstacles to the production of housing for all income groups.</p>	<p>IV.1. Residential Development Standards. Review and adjust residential development standards, regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and construction that are determined to constrain housing development.</p> <p>IV.2. Policy Assessments. Identify, assess, and amend proposed ordinances and policies that adversely affect housing cost, recognizing that some increases in housing costs might be offset by decreases in other</p>

		household costs (e.g., energy bills).
Goal IV. Ensure equal housing opportunities for all persons in Clayton regardless of age, race, religion, sex, marital status, national origin, color, disability, or other barriers that prevent choice in housing.	Goal V. Ensure equal housing opportunities for all persons in Clayton regardless of age, race, religion, sex, marital status, national origin, color, disability, or other barriers that prevent choice in housing.	<p>V.1. Discrimination. Promote equity and prohibit discrimination in the sale, rental, or financing of housing based on race, color, ancestry, religion, national origin, sex, sexual orientation, gender identity, age, disability/medical condition, familial status, marital status, source of income, or any other arbitrary factor.</p> <p>V.2. Fair Housing. Assist in the enforcement of fair housing laws by providing references for residents to organizations that can receive and investigate fair housing allegations, monitor compliance with fair housing laws, and refer possible violations to enforcing agencies.</p>
Goal V. Encourage and maintain energy efficiency in new and existing housing.	Goal VI. Encourage and improve energy efficiency in new and existing housing.	VI.1. Energy Efficiency. Encourage homeowners and business owners to implement new technologies and retrofit buildings to improve energy efficiency.
Goal VI. Promote and participate in the resolution of housing, employment, and transportation issues on a regional basis in cooperation with all Contra Costa County jurisdictions.	Goal VII. Promote and participate in the resolution of housing, employment, and transportation issues on a regional basis in cooperation with all Contra Costa County jurisdictions.	VII.1 Regional Collaboration. Actively support regional-based solutions to the housing, employment, and transportation issues initially within Contra Costa County and ultimately within the Bay Area.

CITY OF CLAYTON SIXTH CYCLE HOUSING ELEMENT

Maptionnaire Survey Results

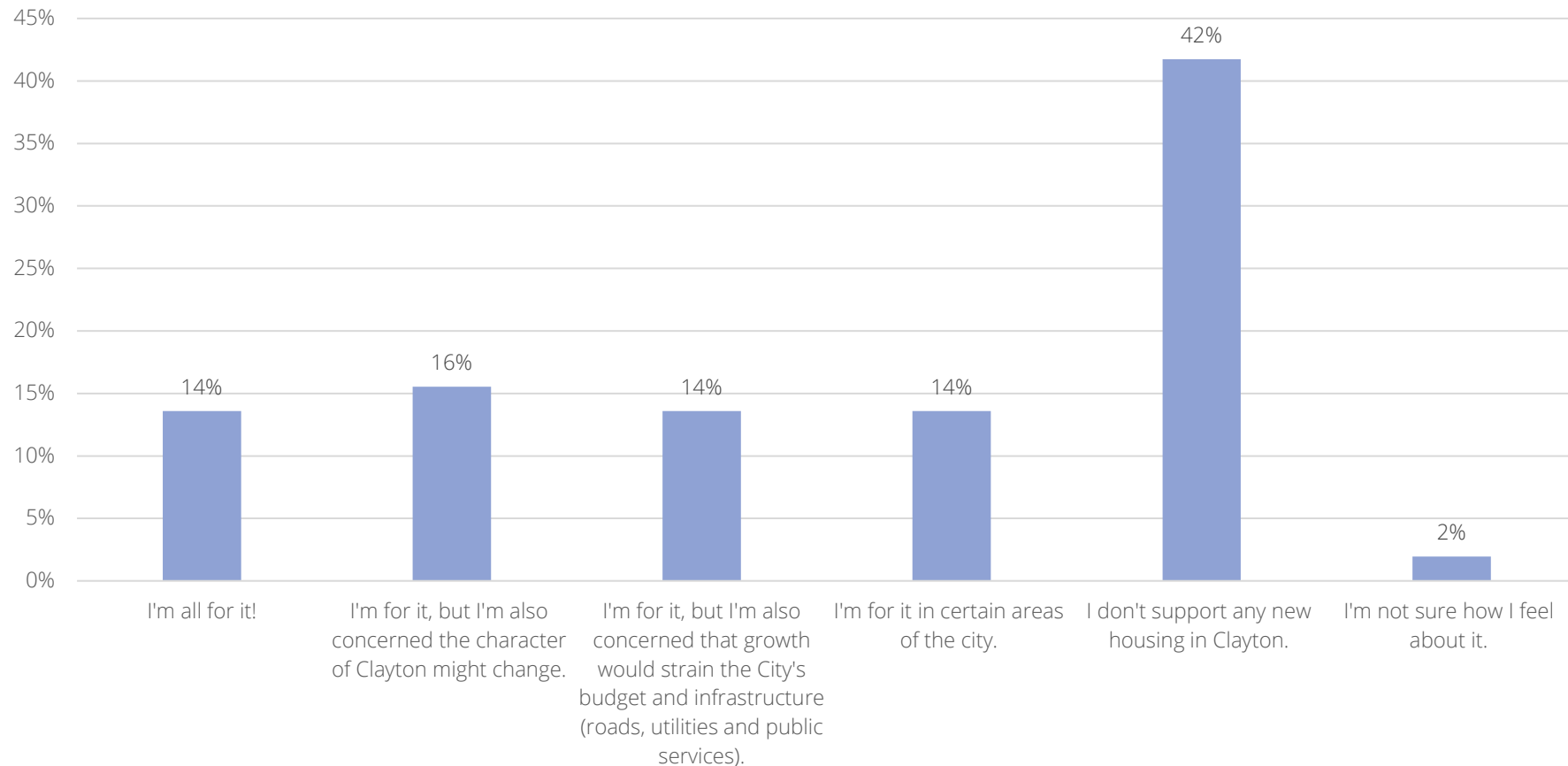
December 21, 2021



**LET'S GET
STARTED!**



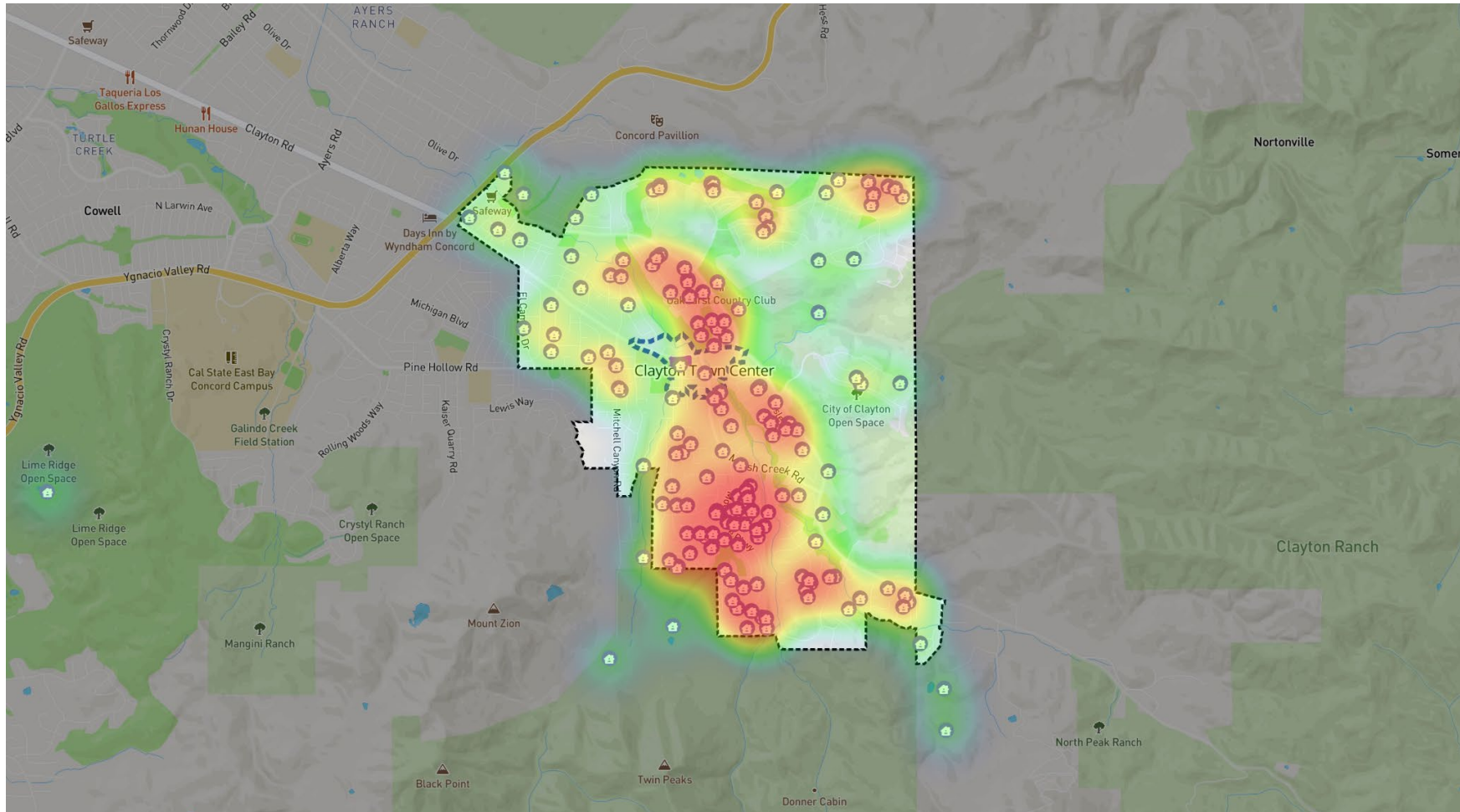
What do you think about the potential growth increase in housing units in Clayton?



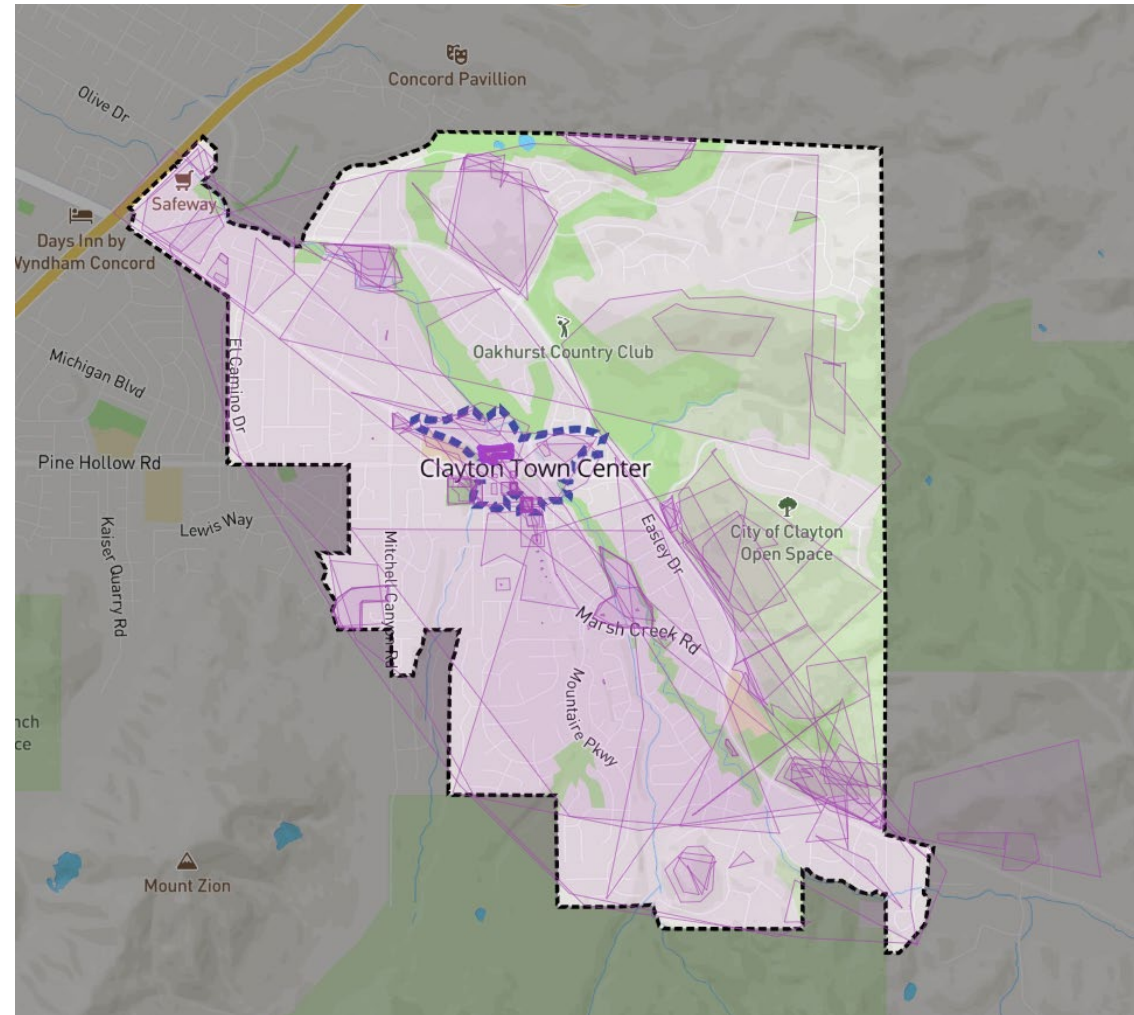
USING THE INTERACTIVE MAP



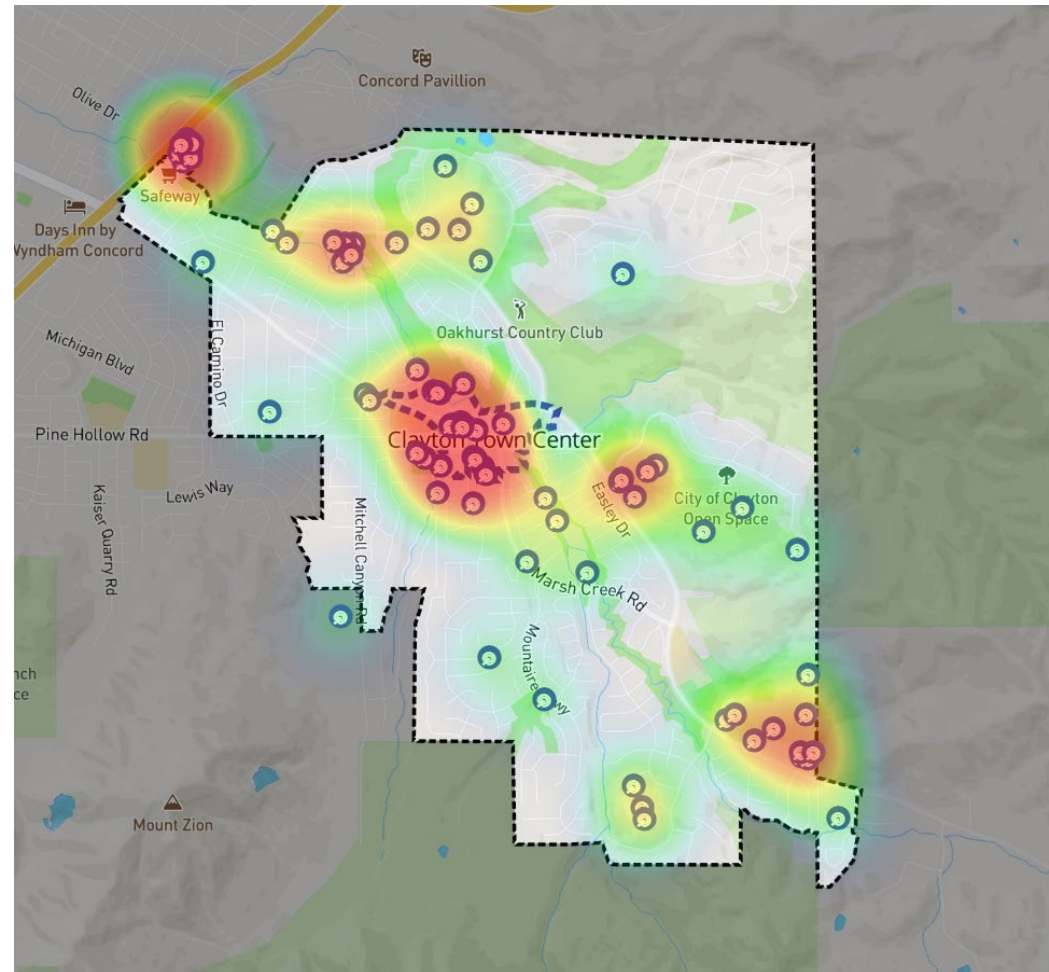
Where do you live?



Areas for New Housing



Sites for New Housing



DOWNTOWN SITE



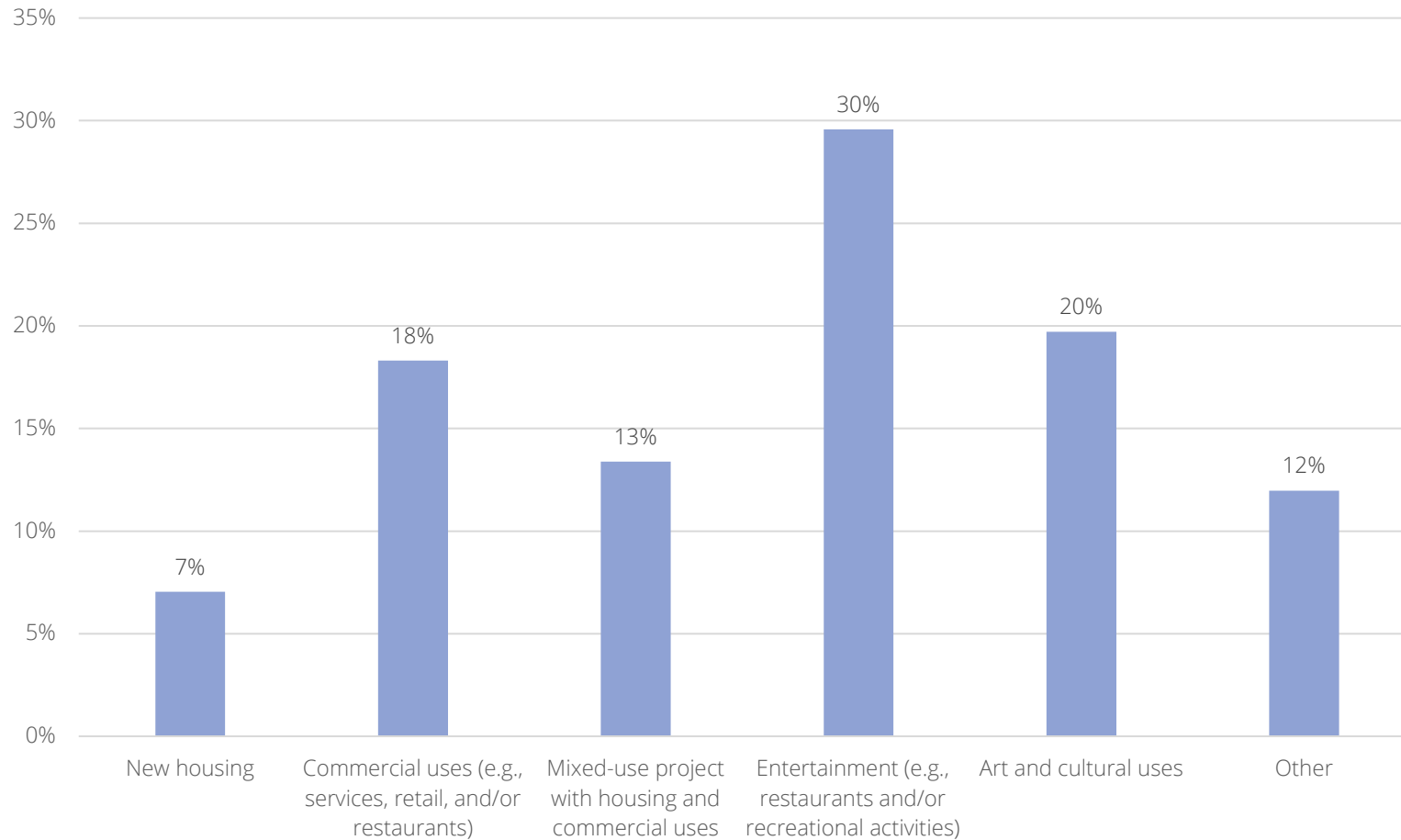
Uploaded Images



Uploaded Images

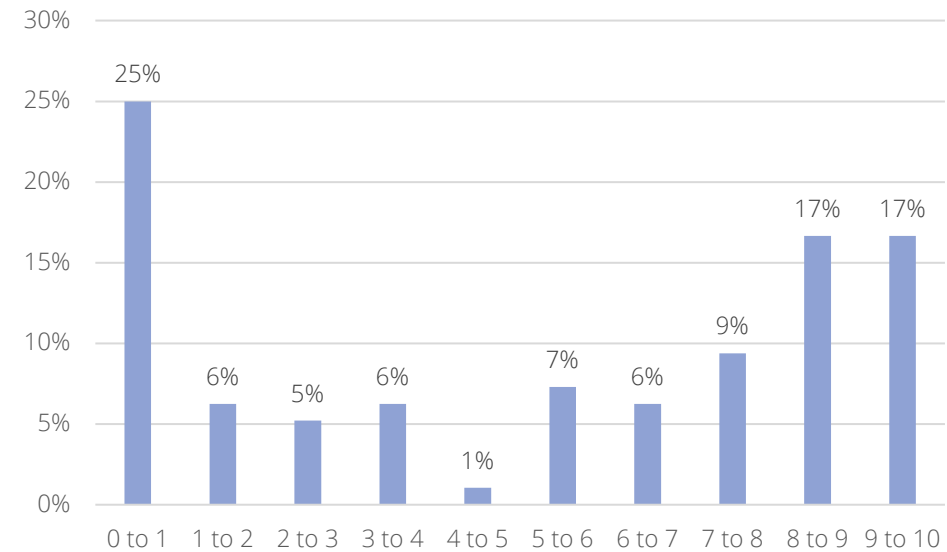


What would you like to see at the Downtown Site? You may select more than one.

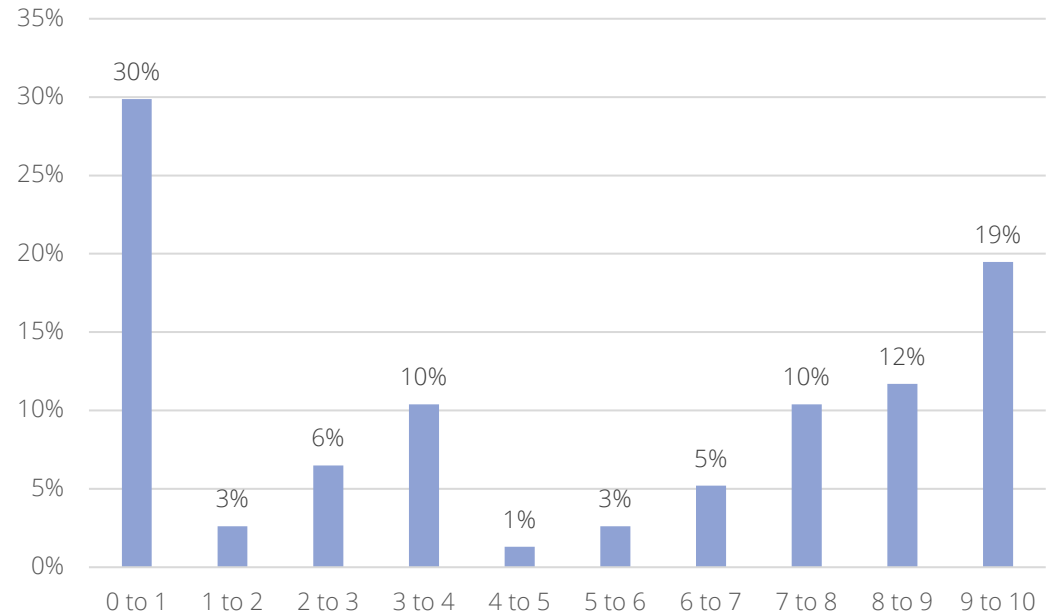


Please indicate your level of support for the following example housing and commercial types for the Downtown Site using the sliders below (0 = Not at all important and 10 = Very important). The images illustrate potential uses and scale and do not depict the designs of future buildings.

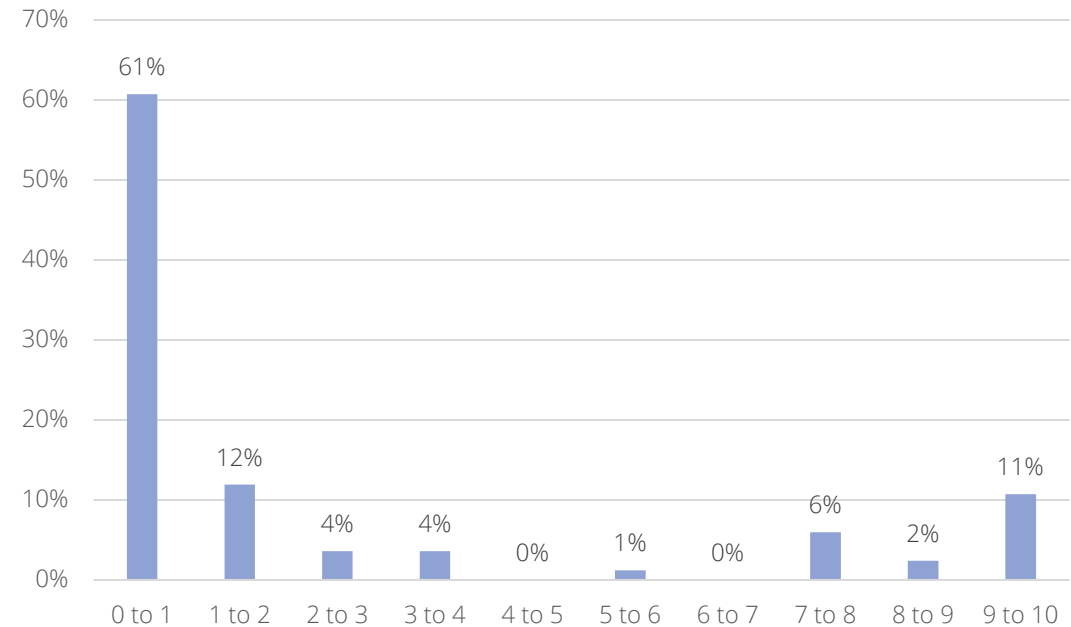
What is your level of support for new duplexes?



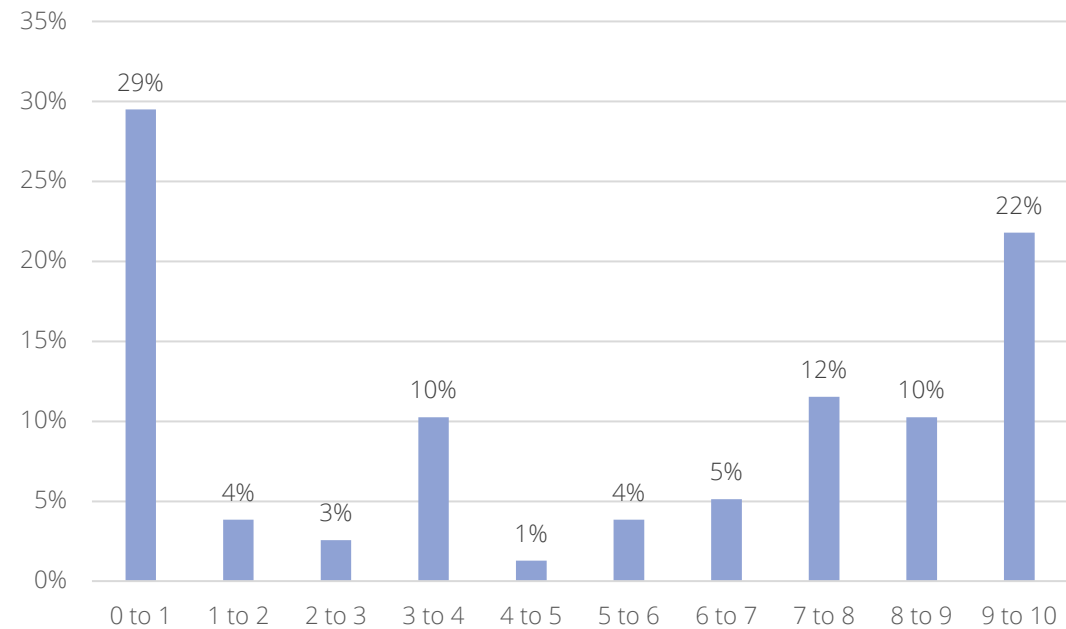
What is your level of support for new townhomes?



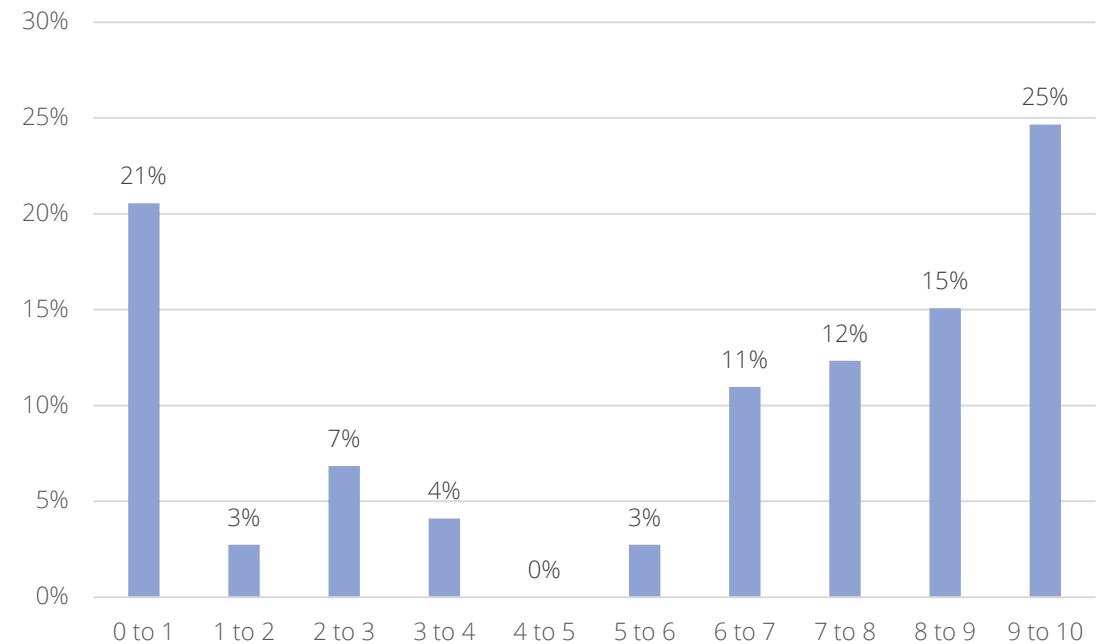
What is your level of support for new apartments/condominiums?



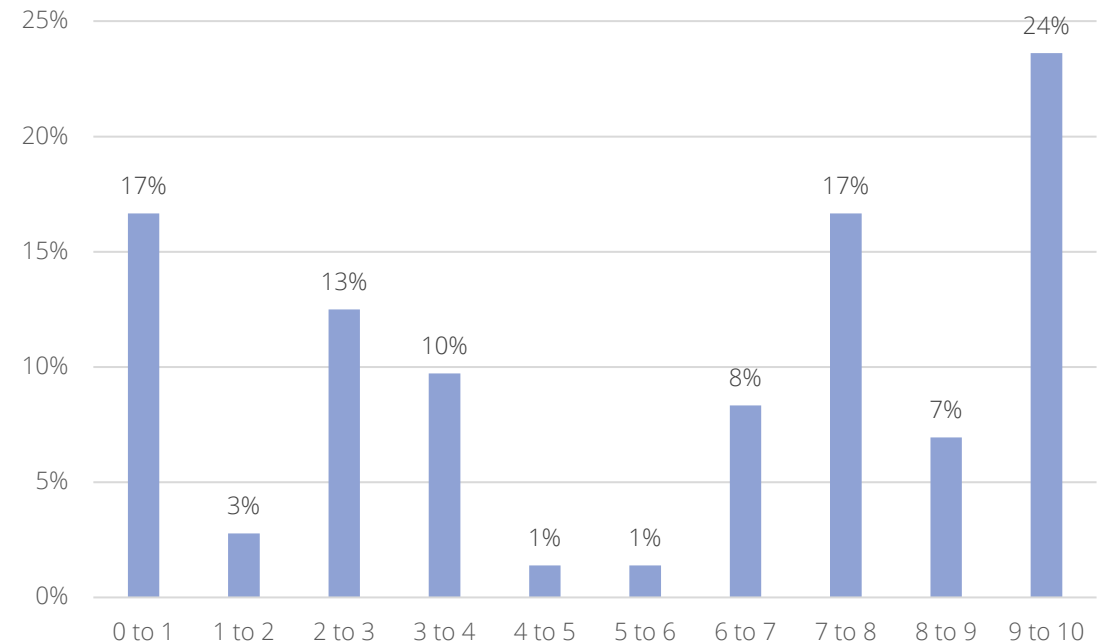
What is your level of support for new mixed-use projects with retail?



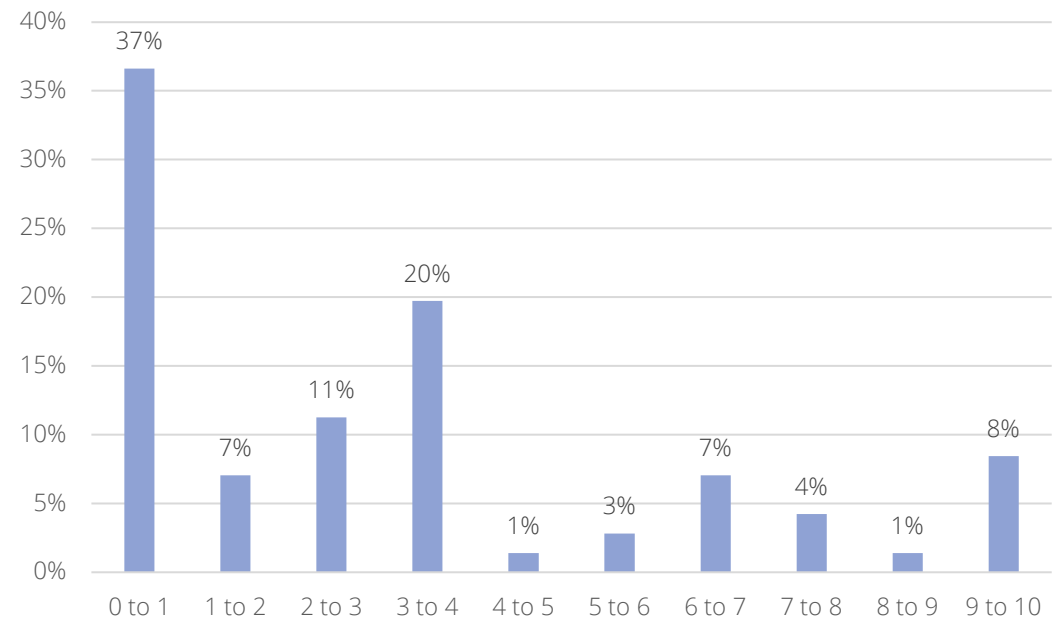
What is your level of support for new mixed-use projects with dining?



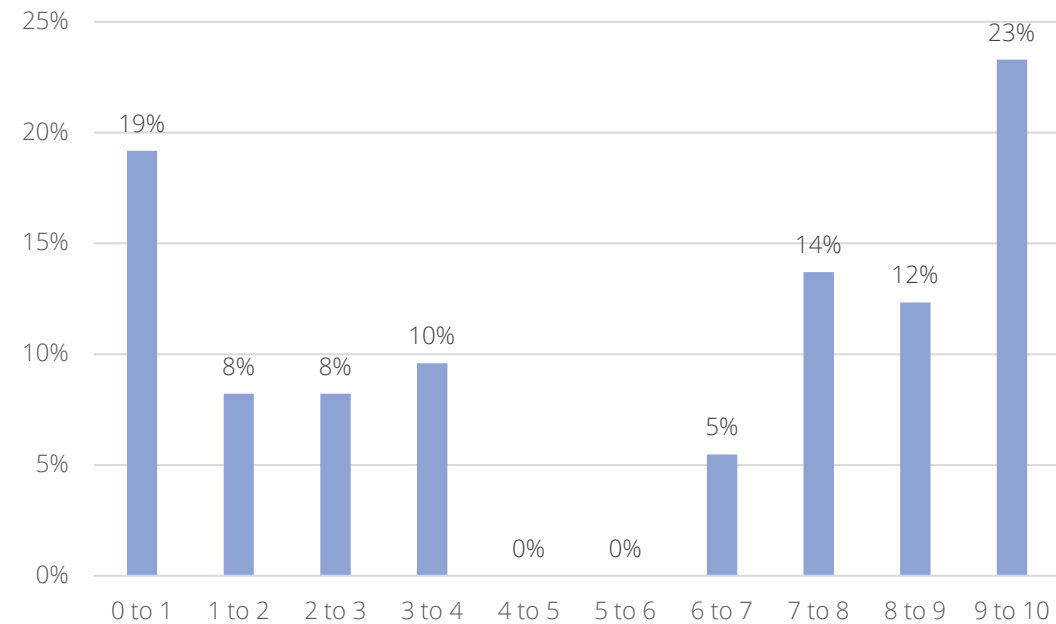
What is your level of support for new retail?



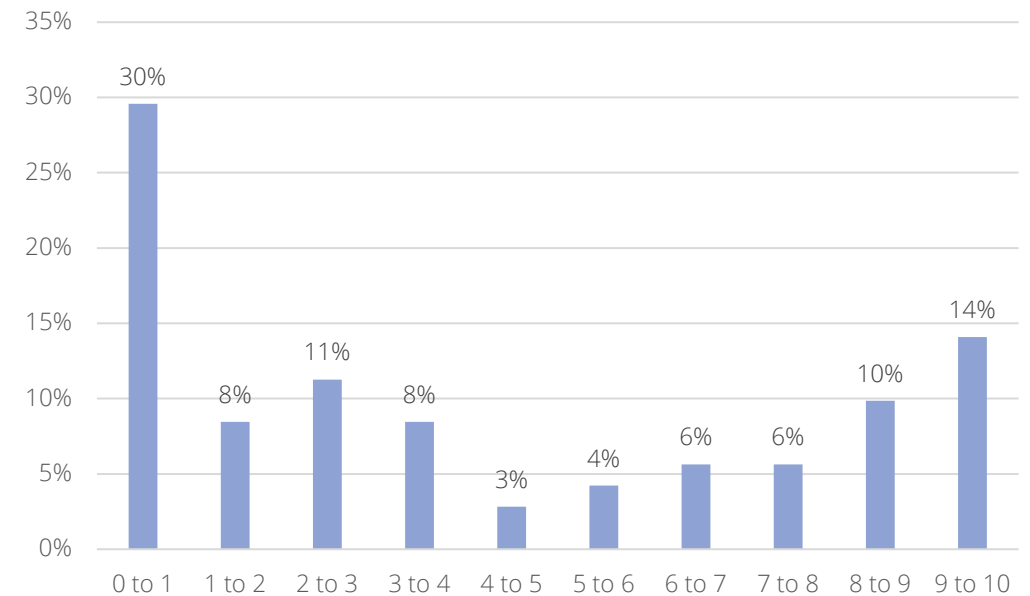
What is your level of support for new commercial (office) spaces?



What is your level of support for new grocery store?



What is your level of support for a new performing arts center?

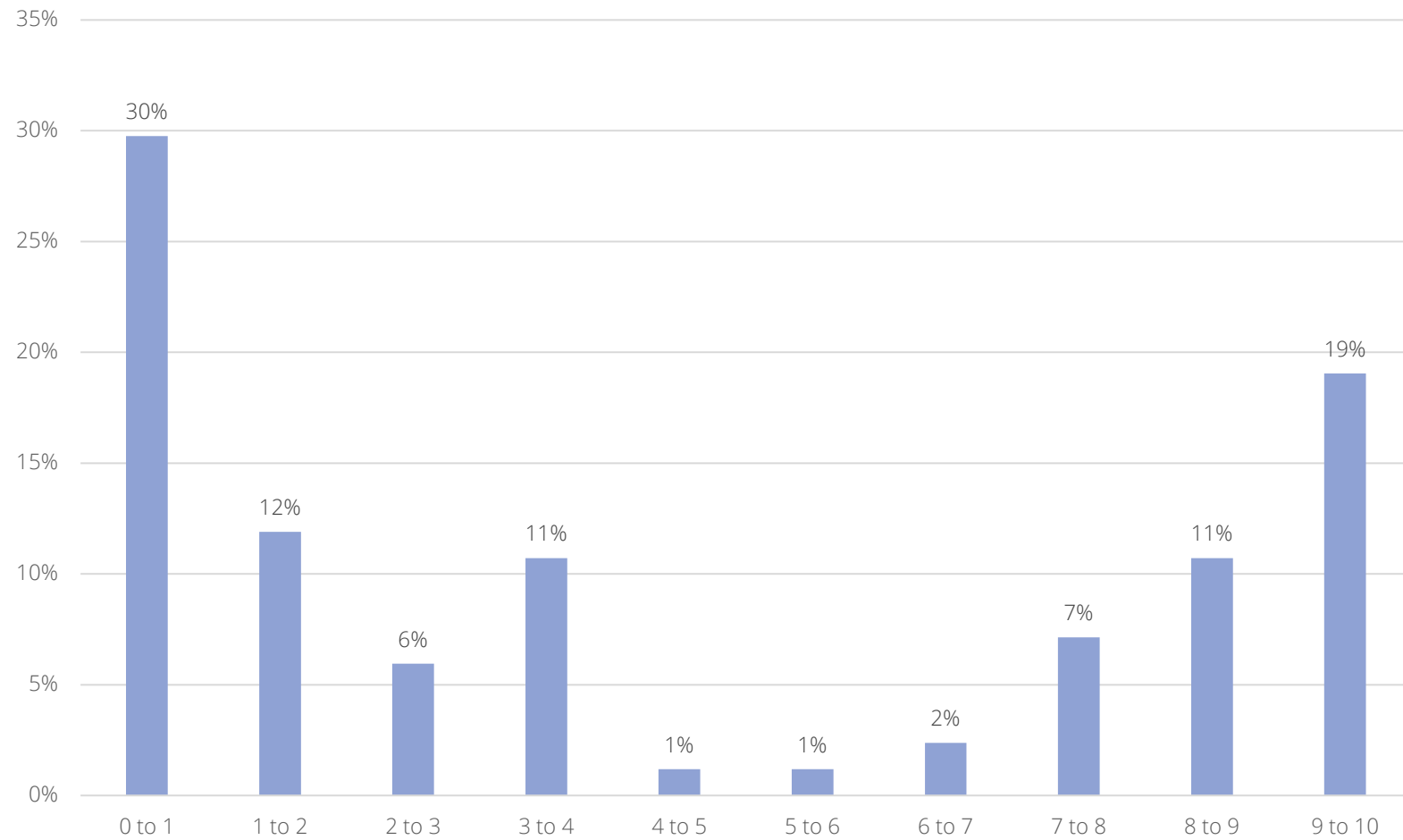


COMMUNITY VISION AND GOALS

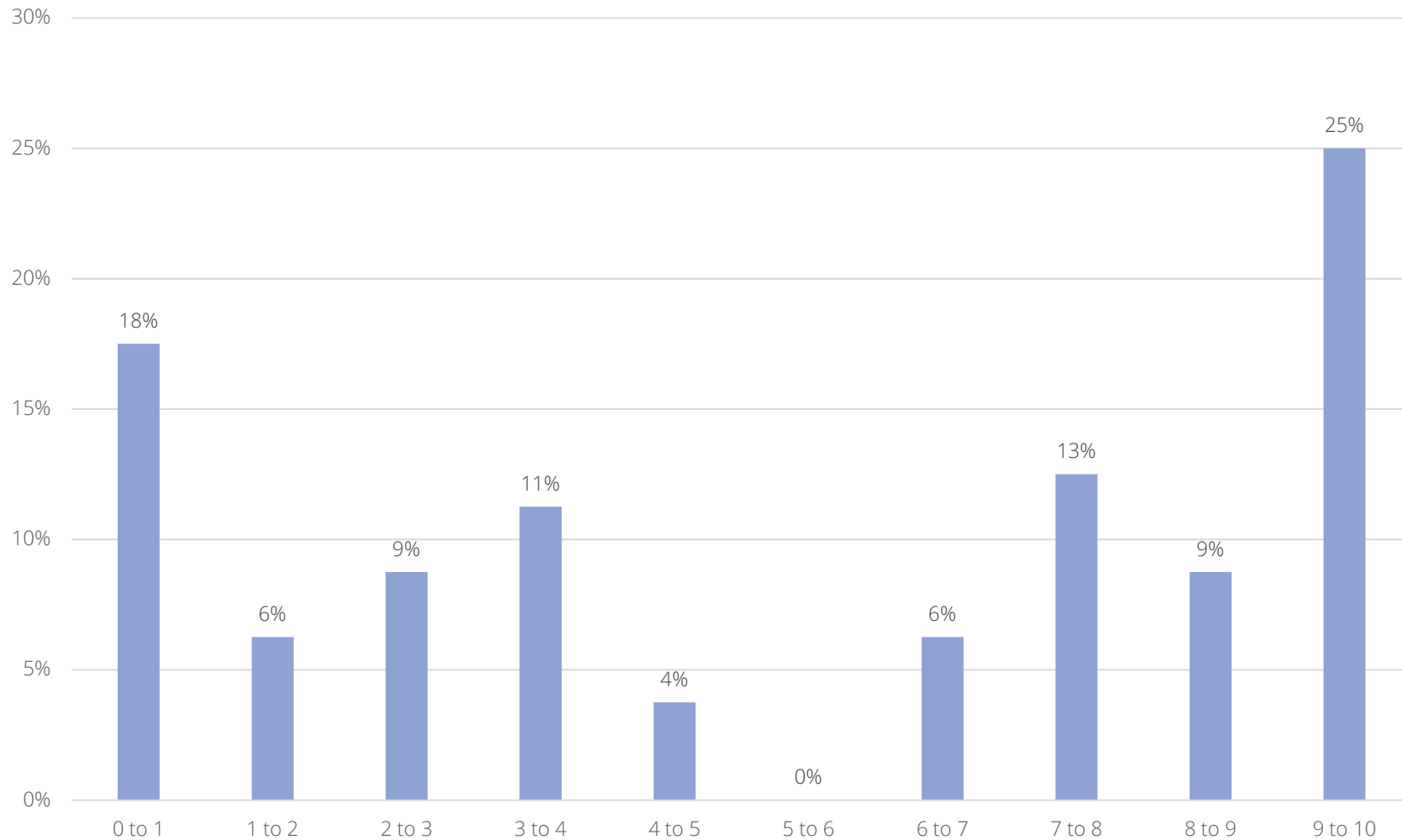


Please indicate the importance of housing issues and challenges in Clayton using the sliders below (0 = Not at all important and 10 = Very important). Click on the slider and leave it at 5 if the item is neither important or unimportant to you.

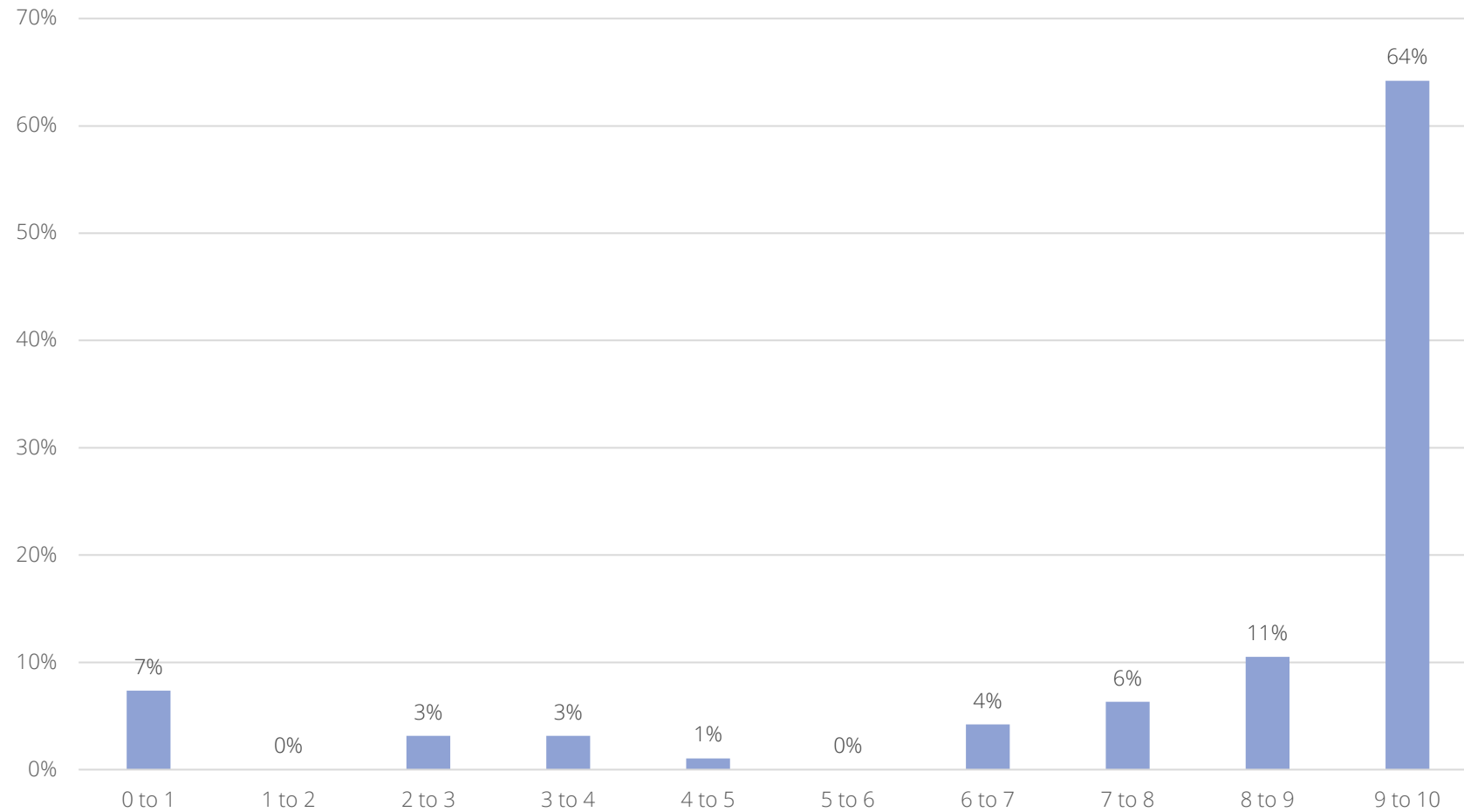
Housing Supply



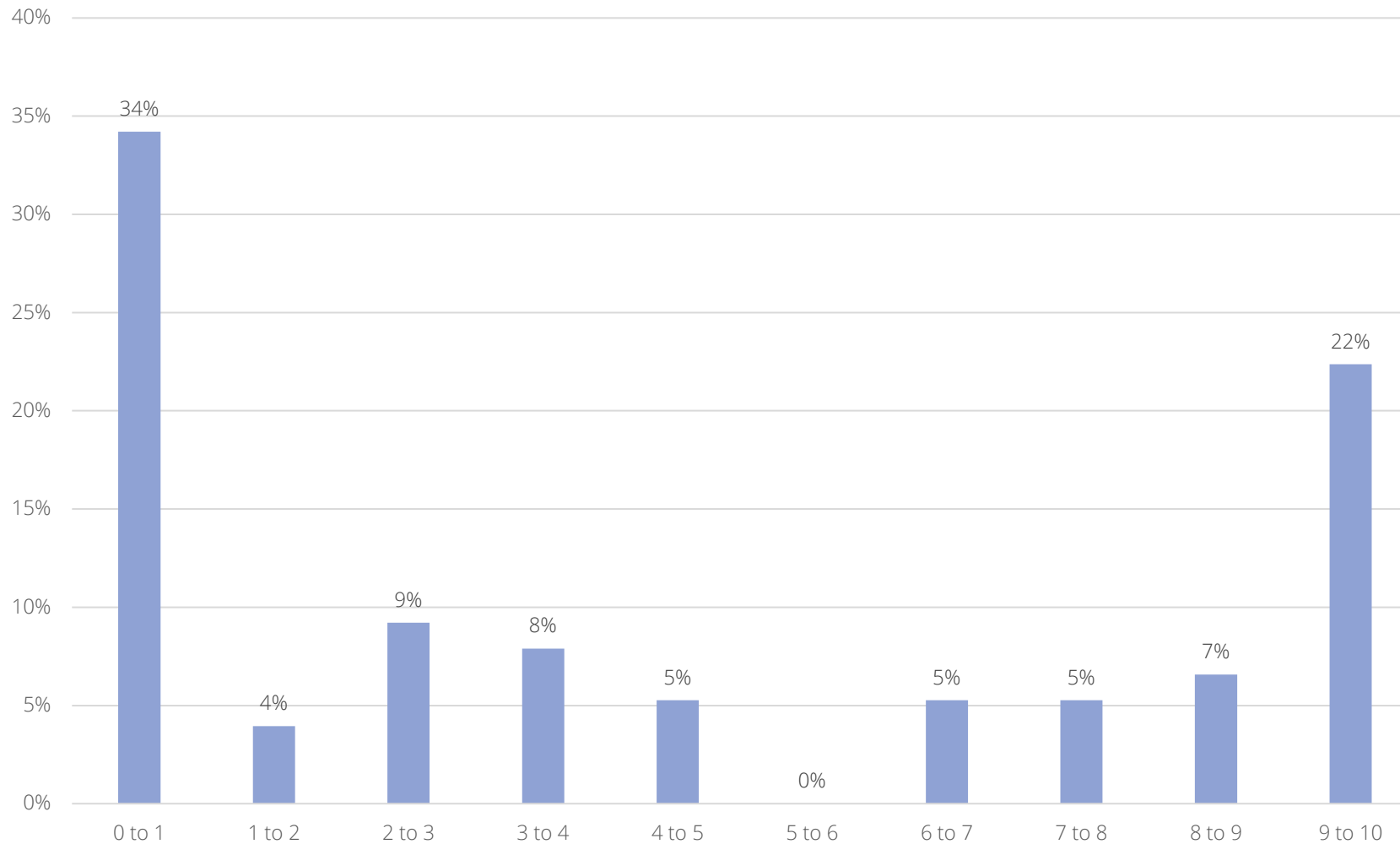
Housing Affordability



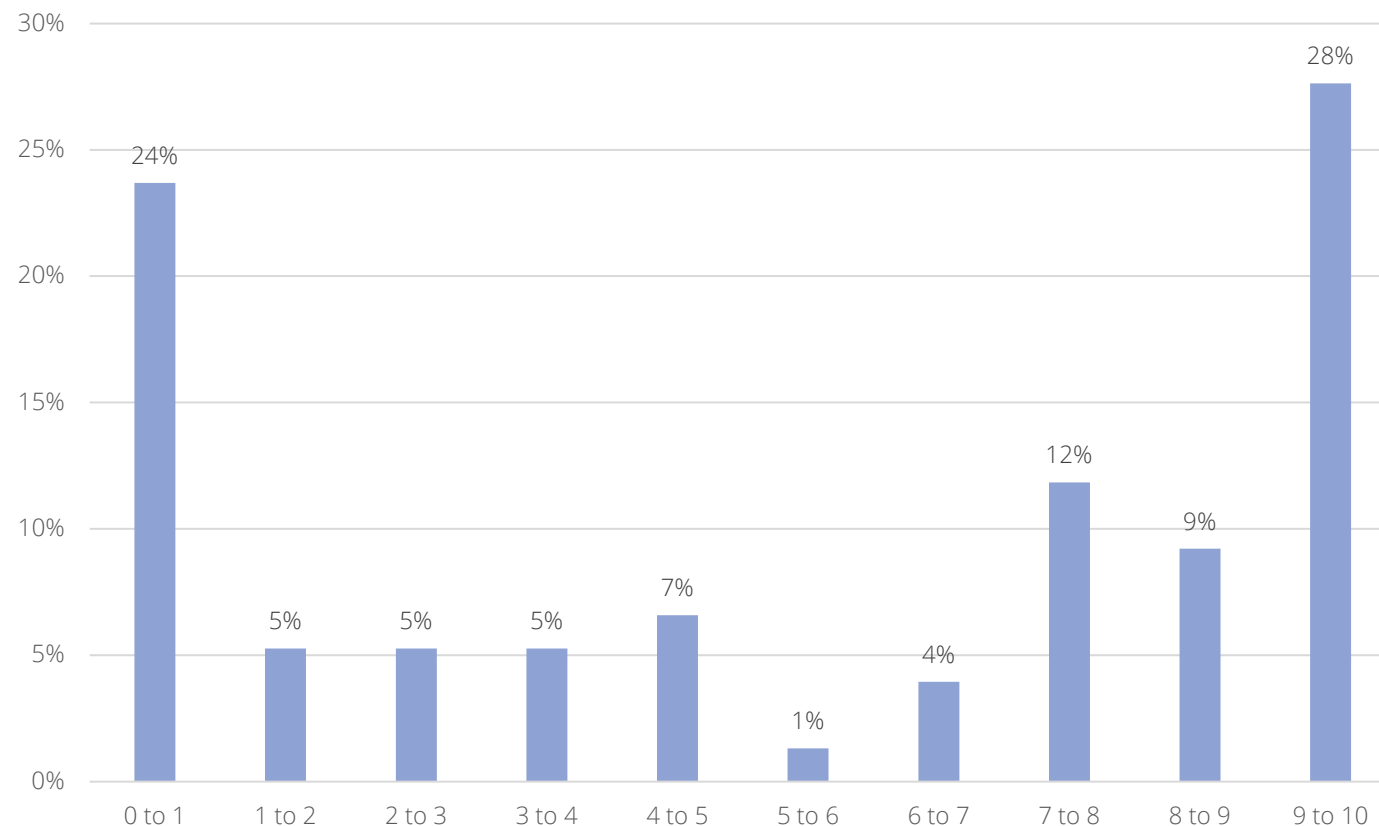
Overcrowding



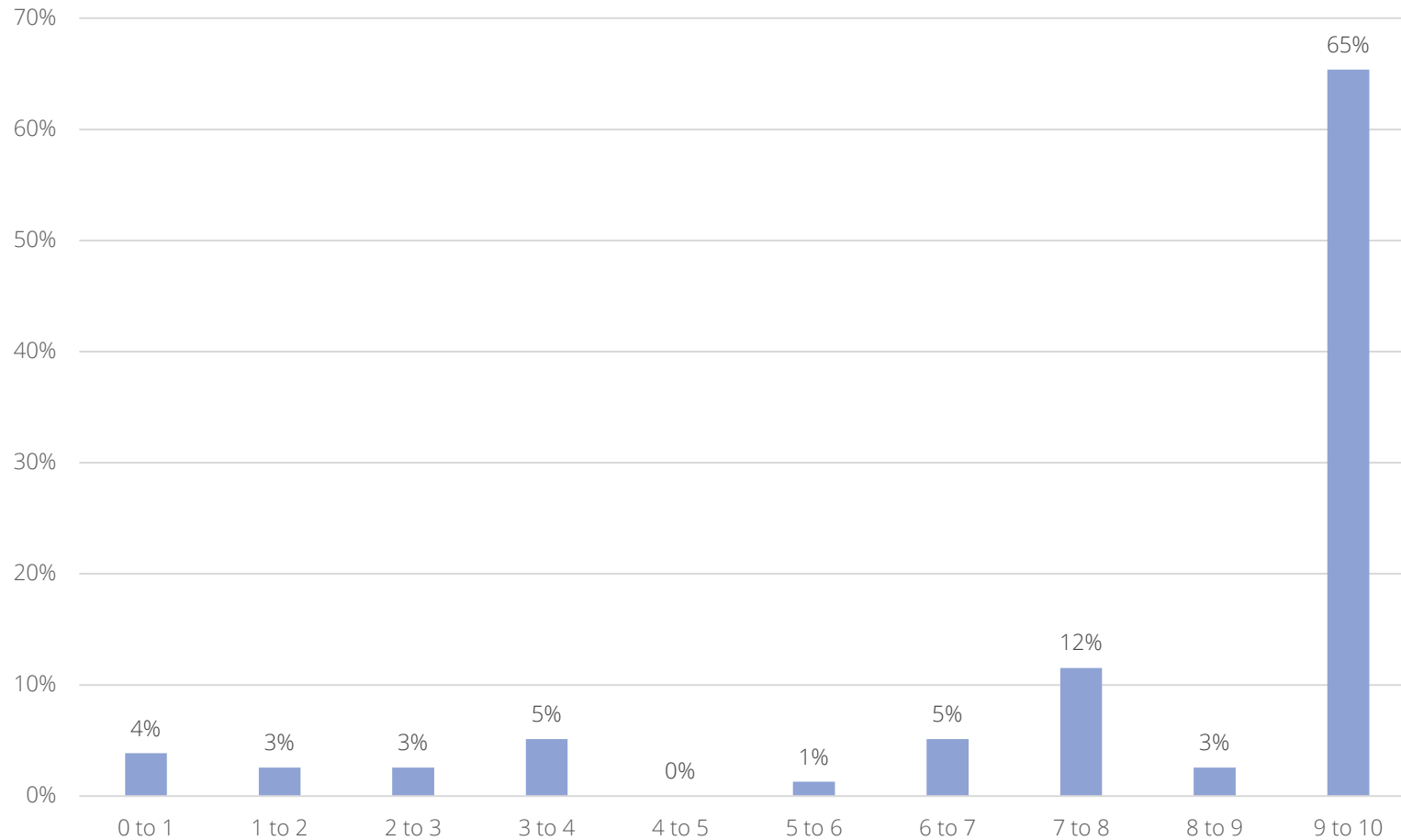
A Lack of Diverse Housing Options



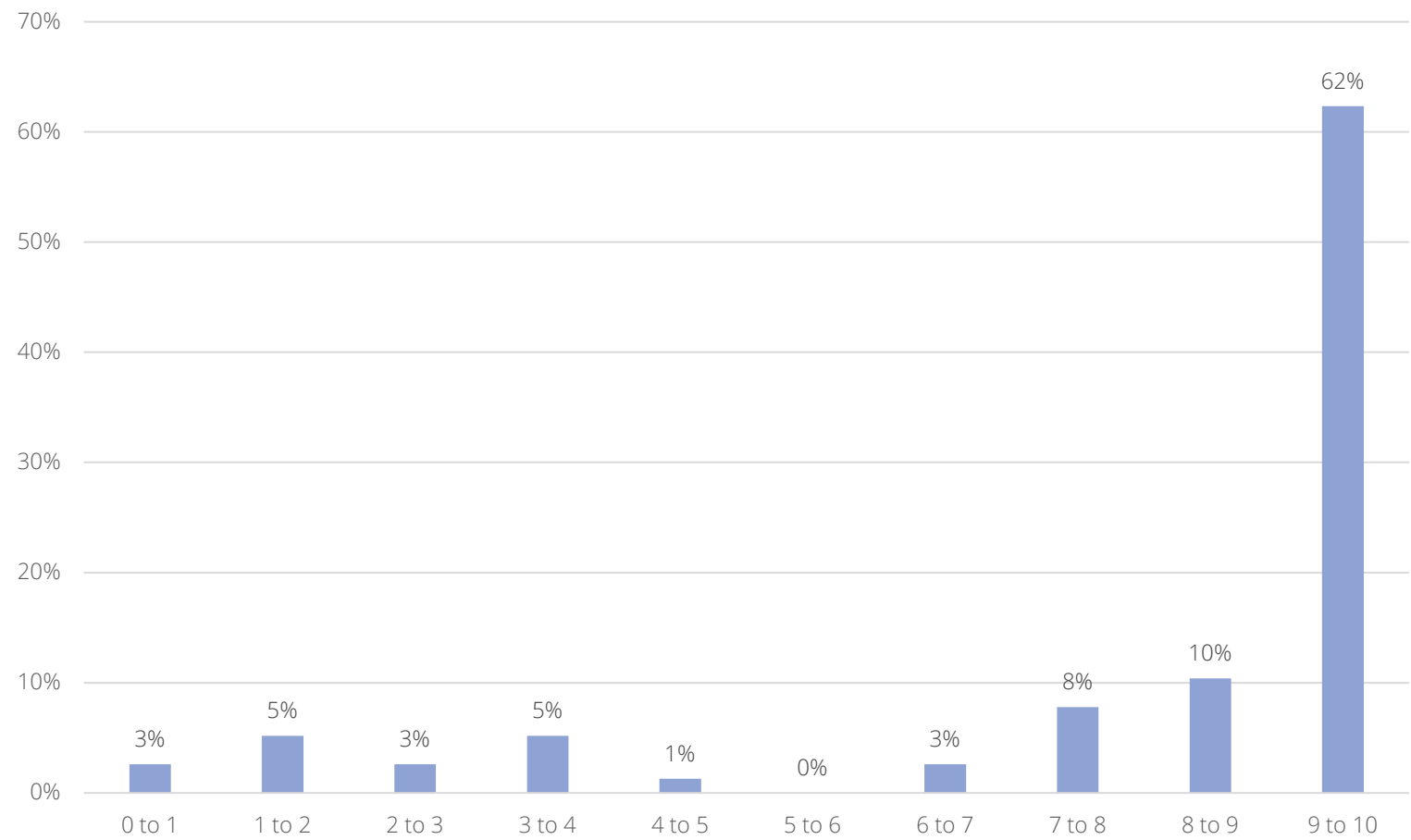
Fair Housing Issues (e.g., discrimination, inadequate accommodations for people with disabilities, etc.)



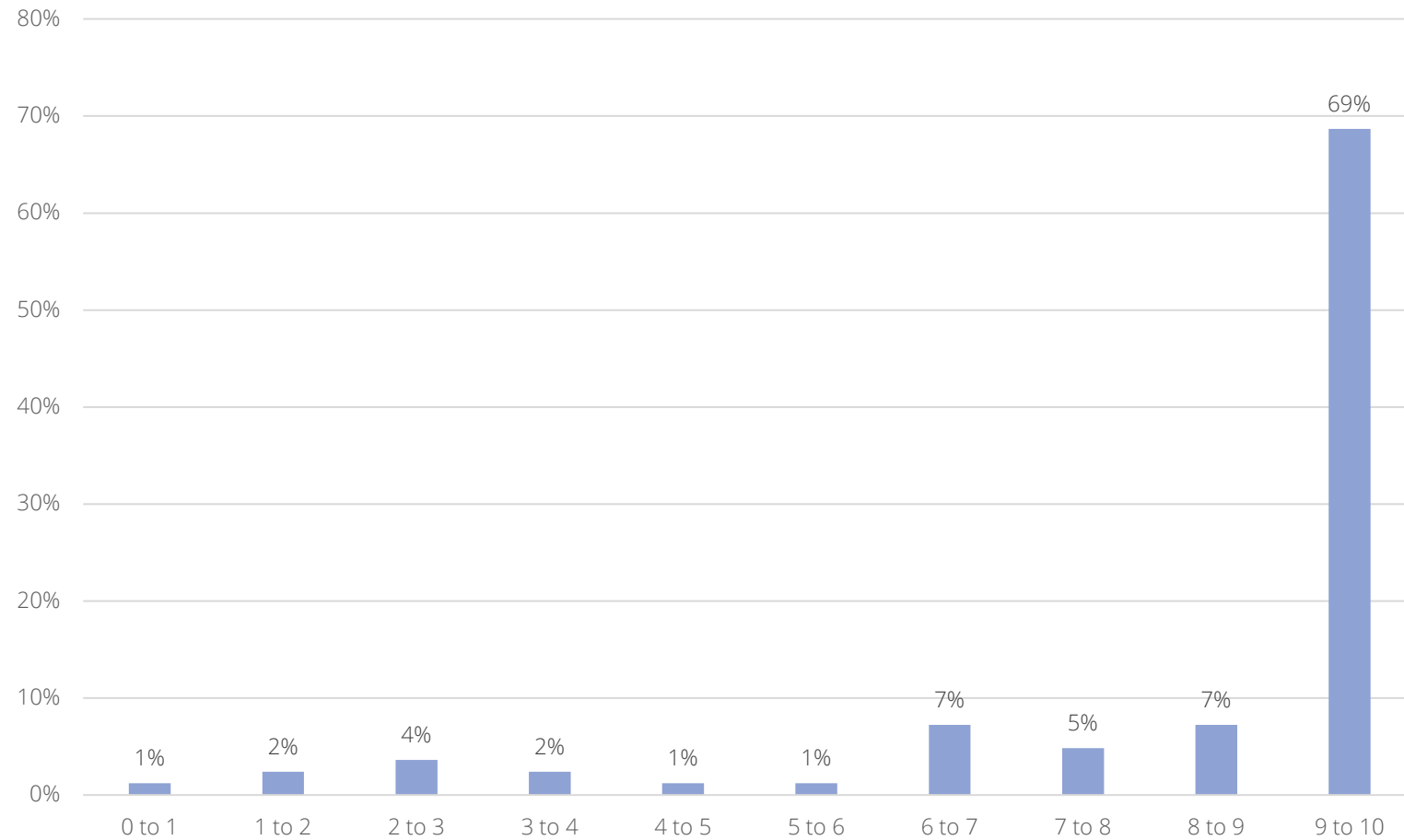
Limited Infrastructure (water, sewer)



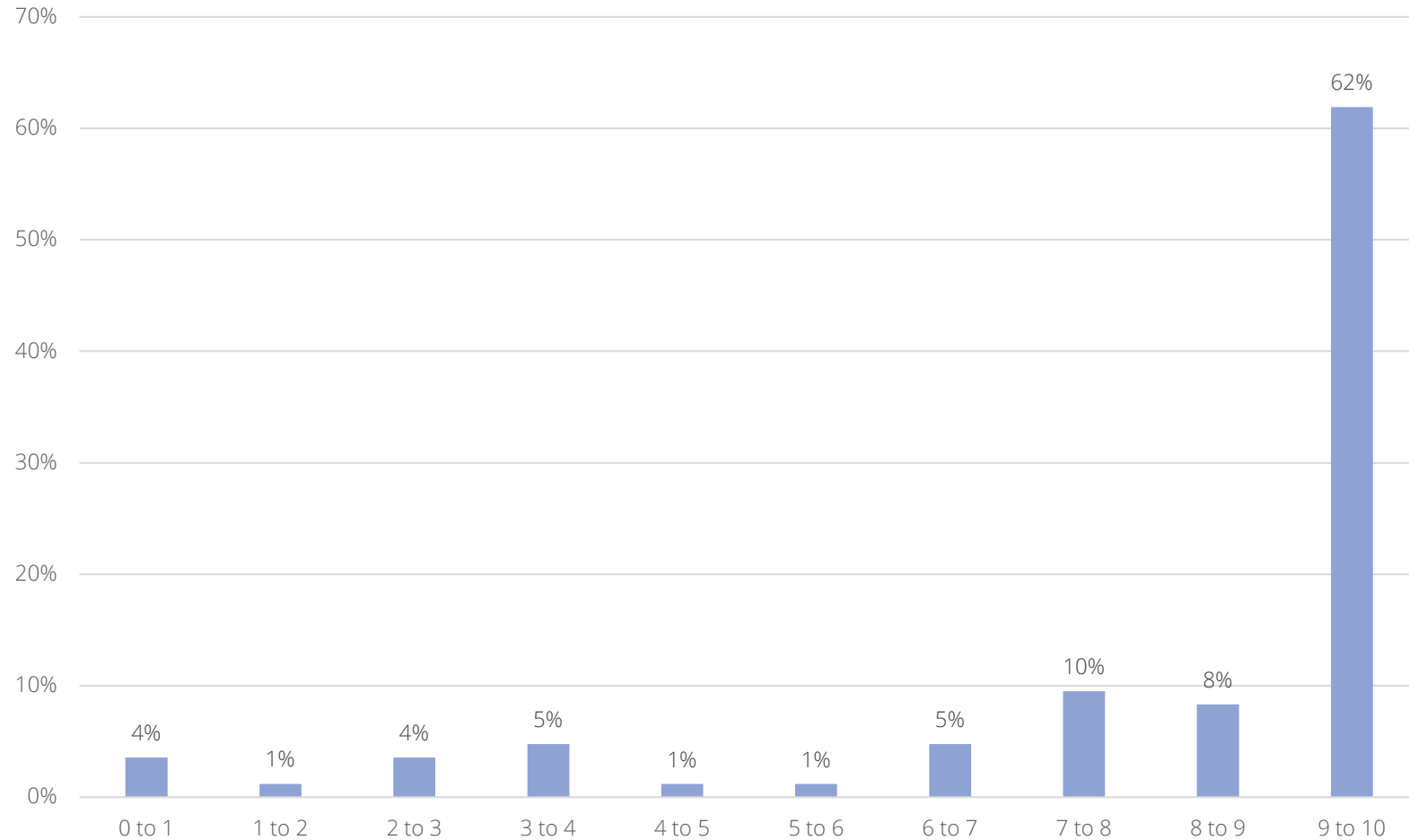
Wildfire Risk



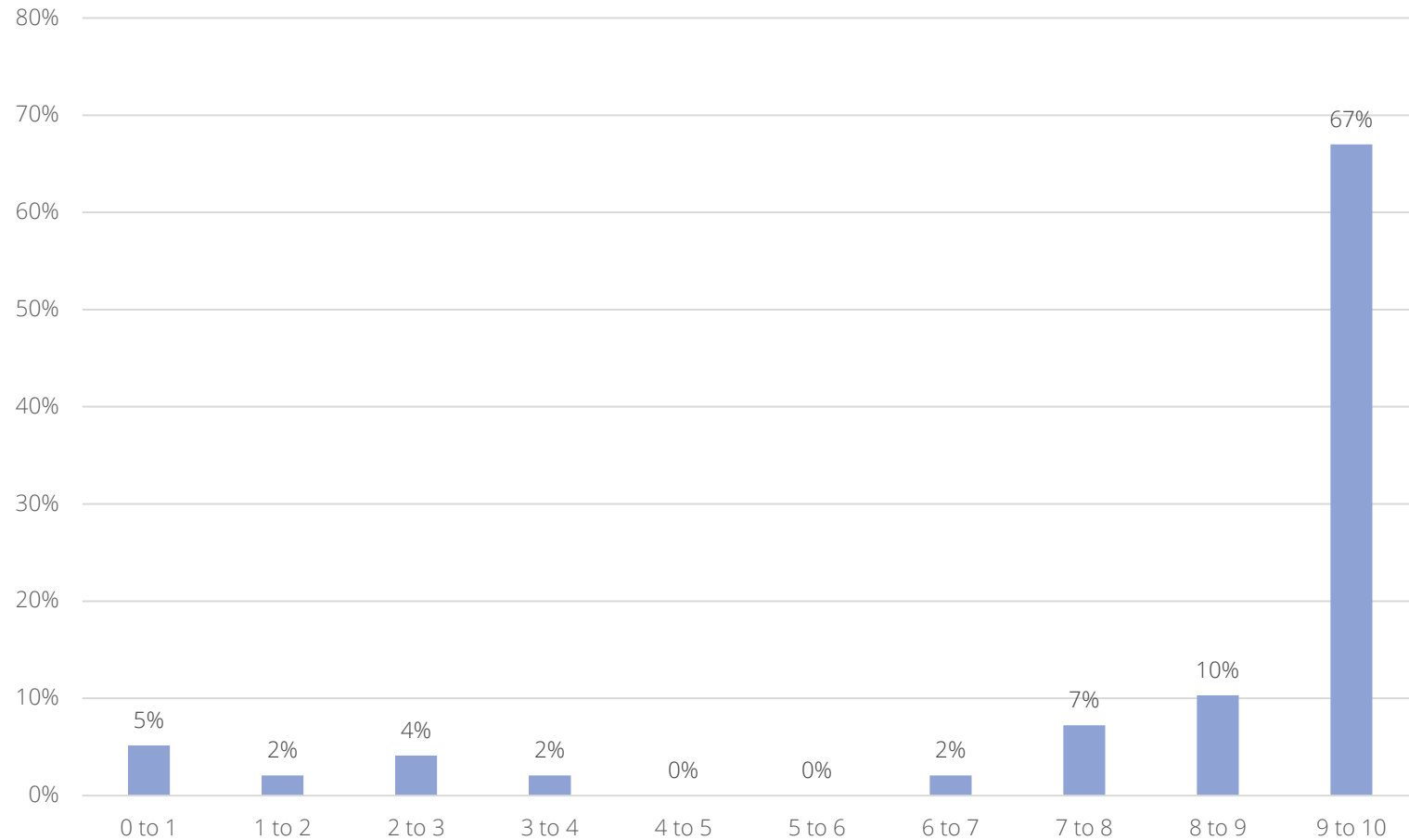
Traffic and Congestion



Protecting Environmentally Sensitive Areas

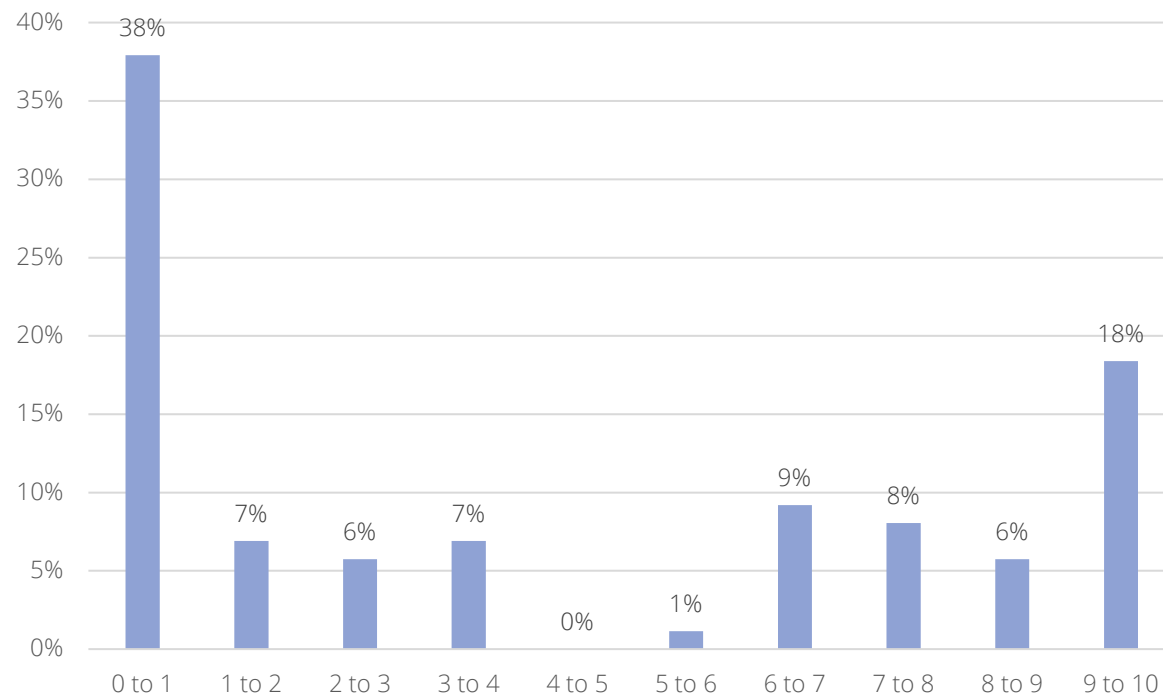


Preserving Community Character

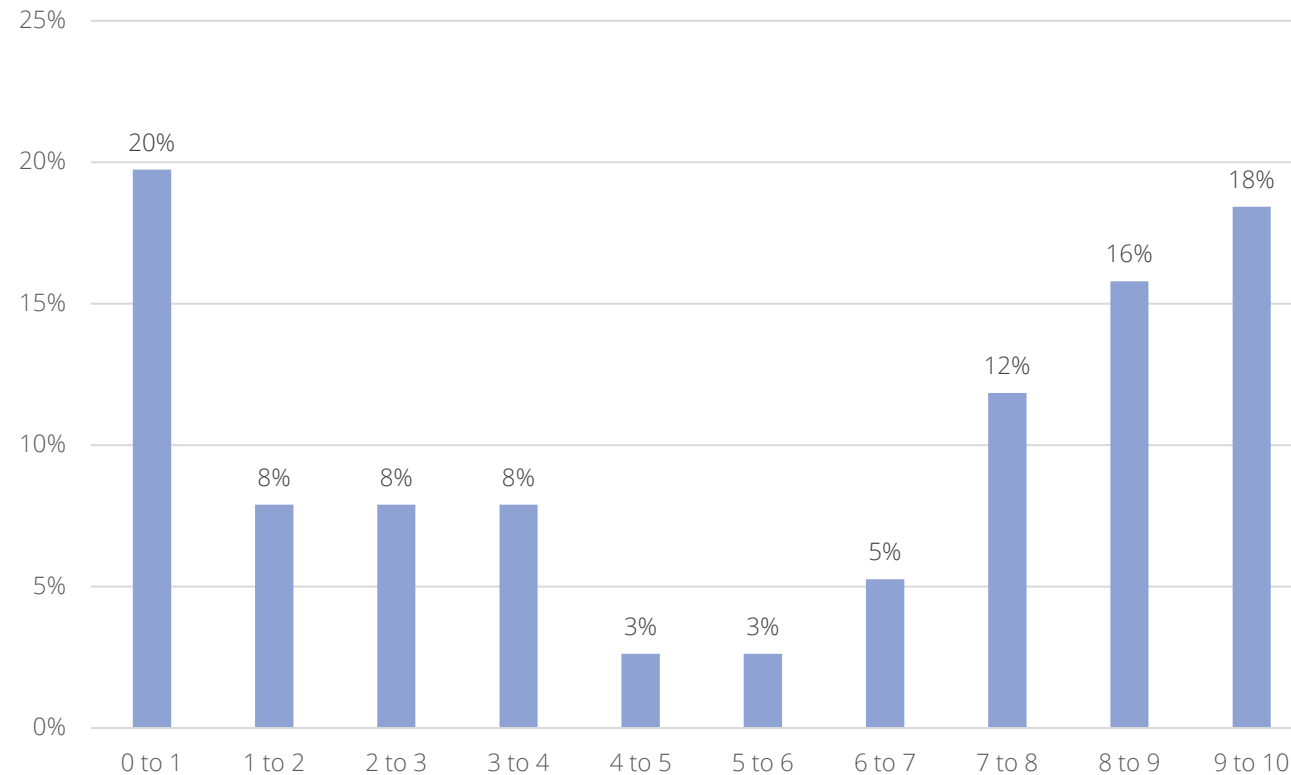


What strategies of solutions do you think are appropriate for Clayton? Drag the slider left or right to indicate your level of support (0 = Not at all important and 10 = Very important). Click on the slider and leave it at 5 if the item is neither important or unimportant to you.

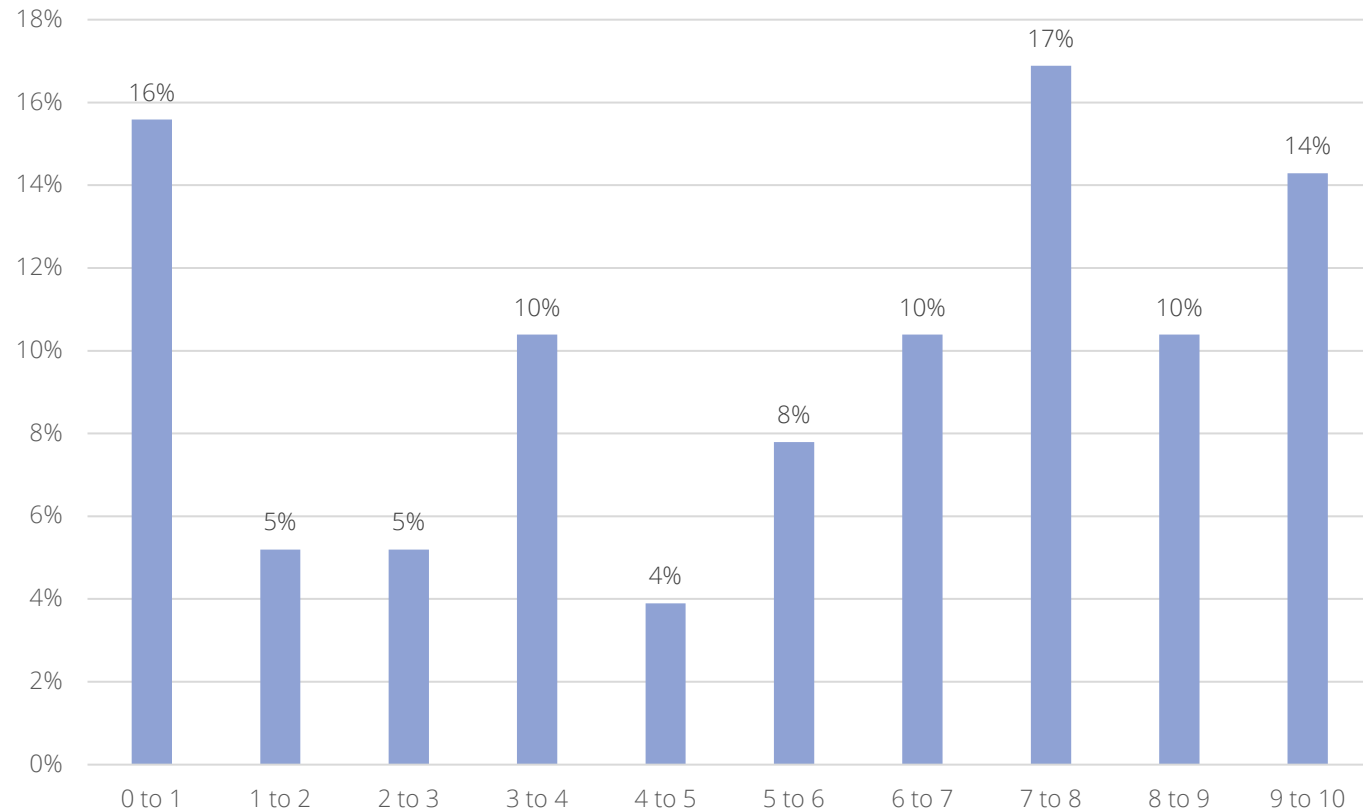
Develop a diverse range of housing options (e.g., apartments, condominiums, duplexes/triplexes/fourplexes, Accessory Dwelling Units/in-law units, etc.)



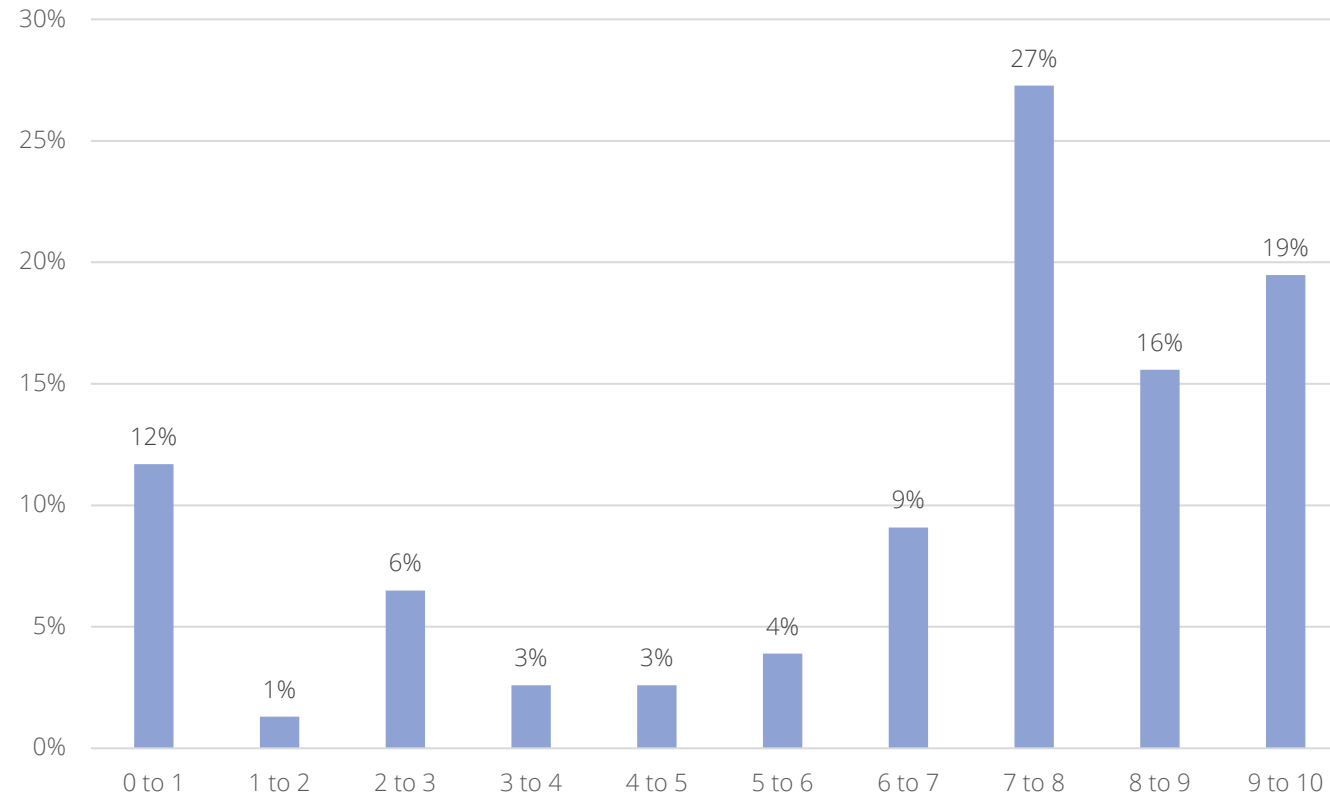
Ensure that children who grow up in Clayton can afford to live in Clayton on their own



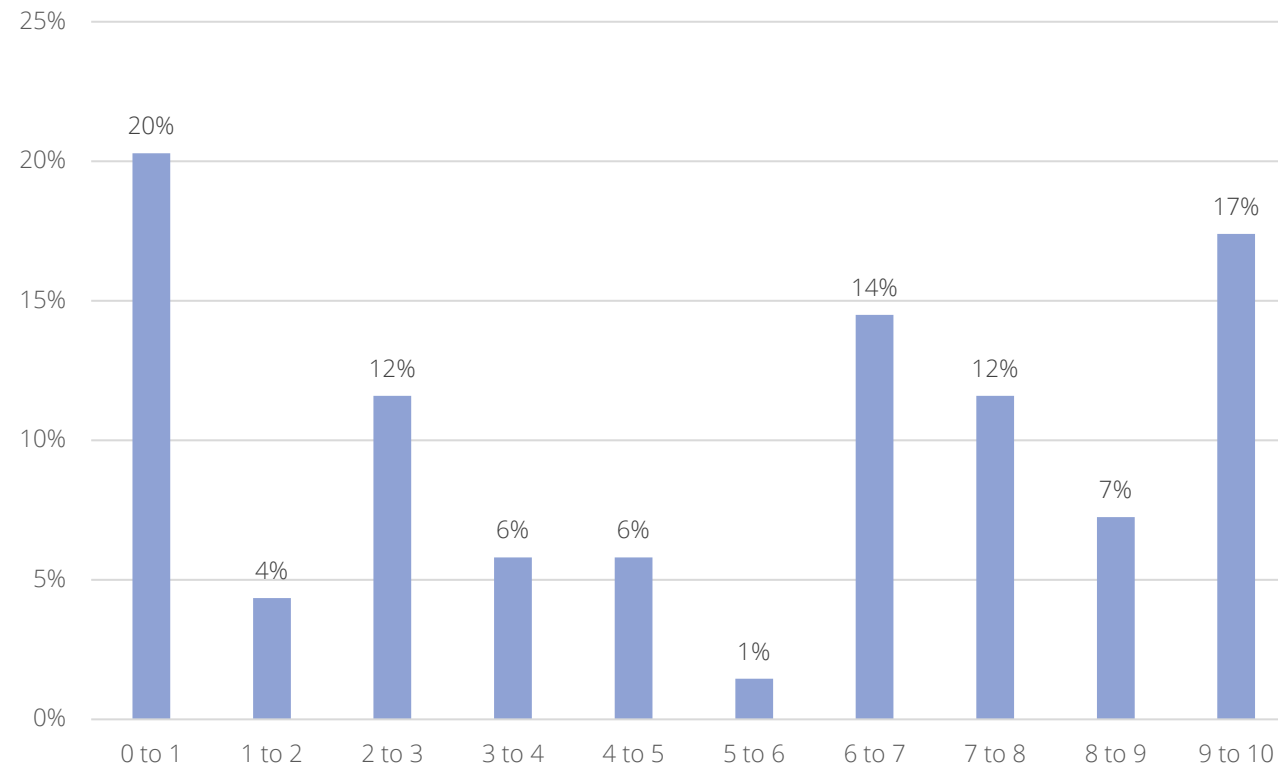
Provide opportunities for people who work in Clayton to live in Clayton



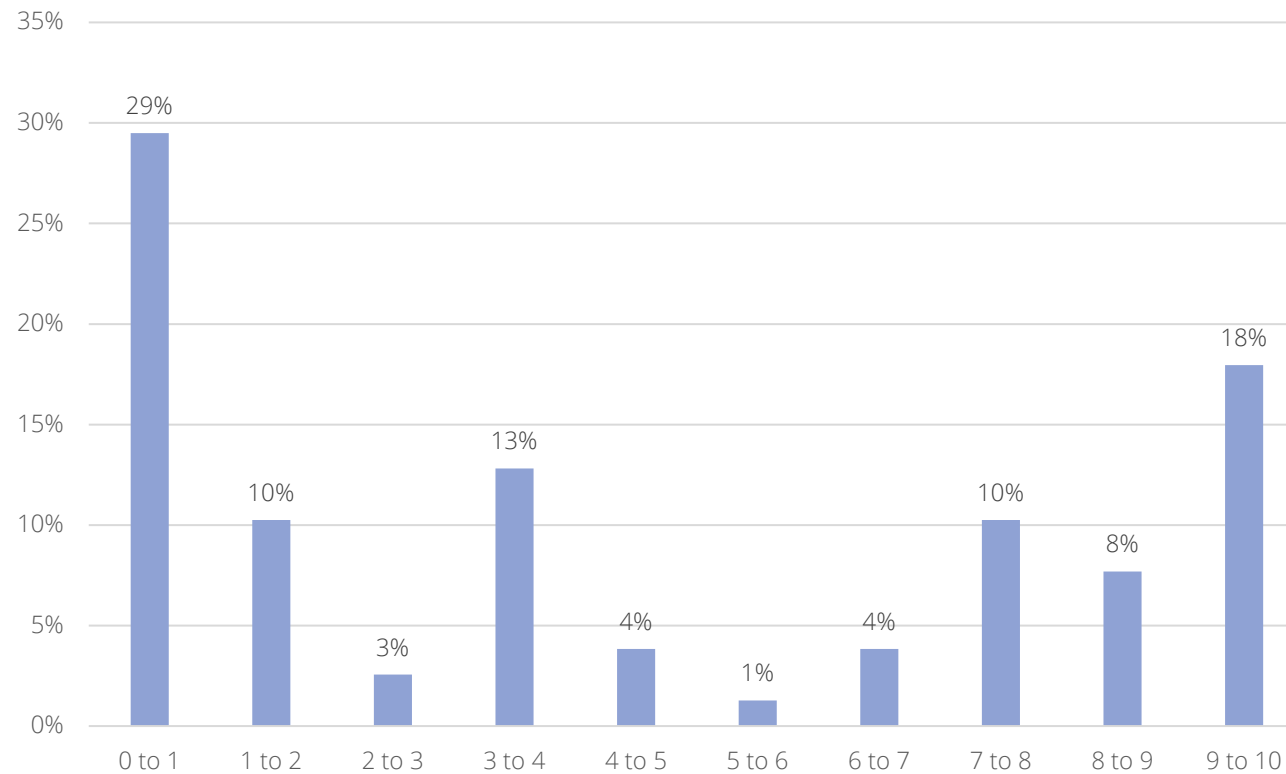
Provide more options for older residents to downsize and stay in the community



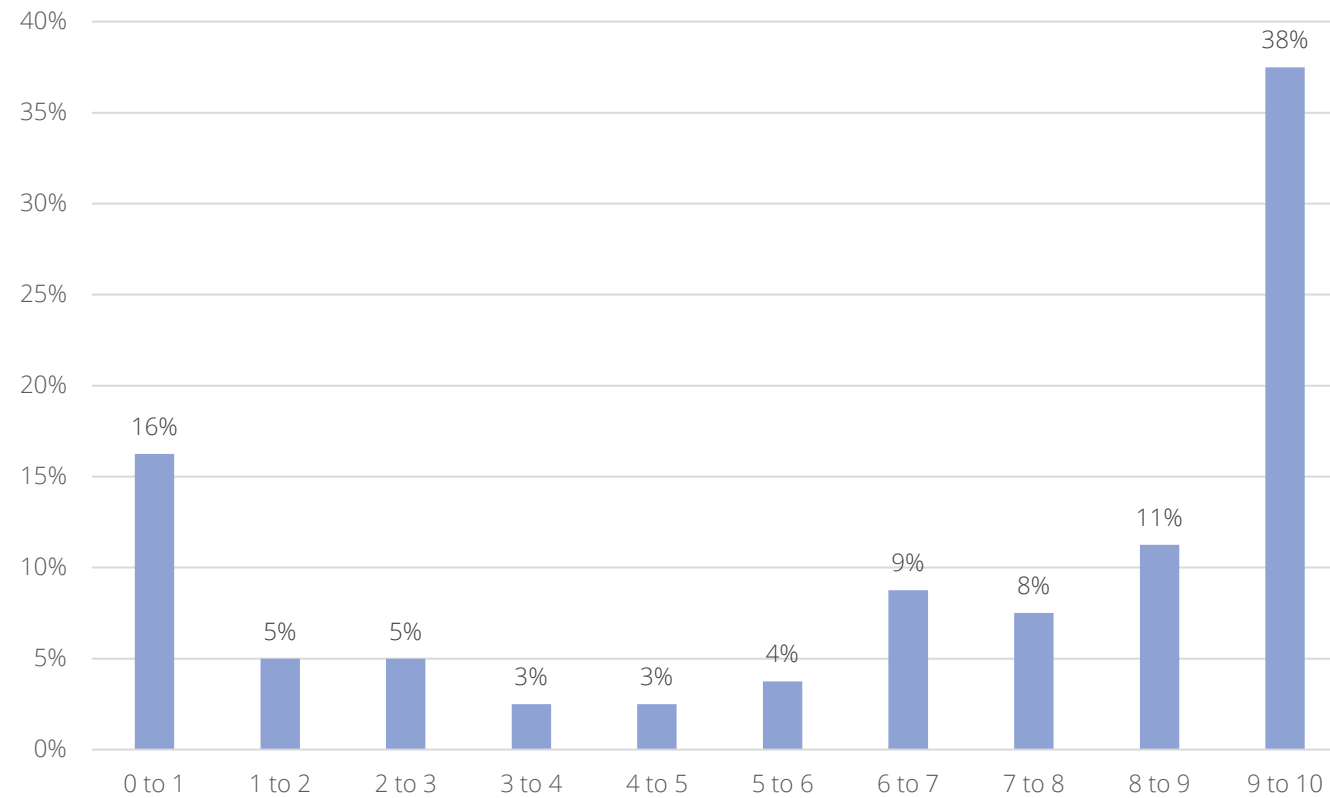
Support local businesses by concentrating new housing and residents around commercial services and community destinations



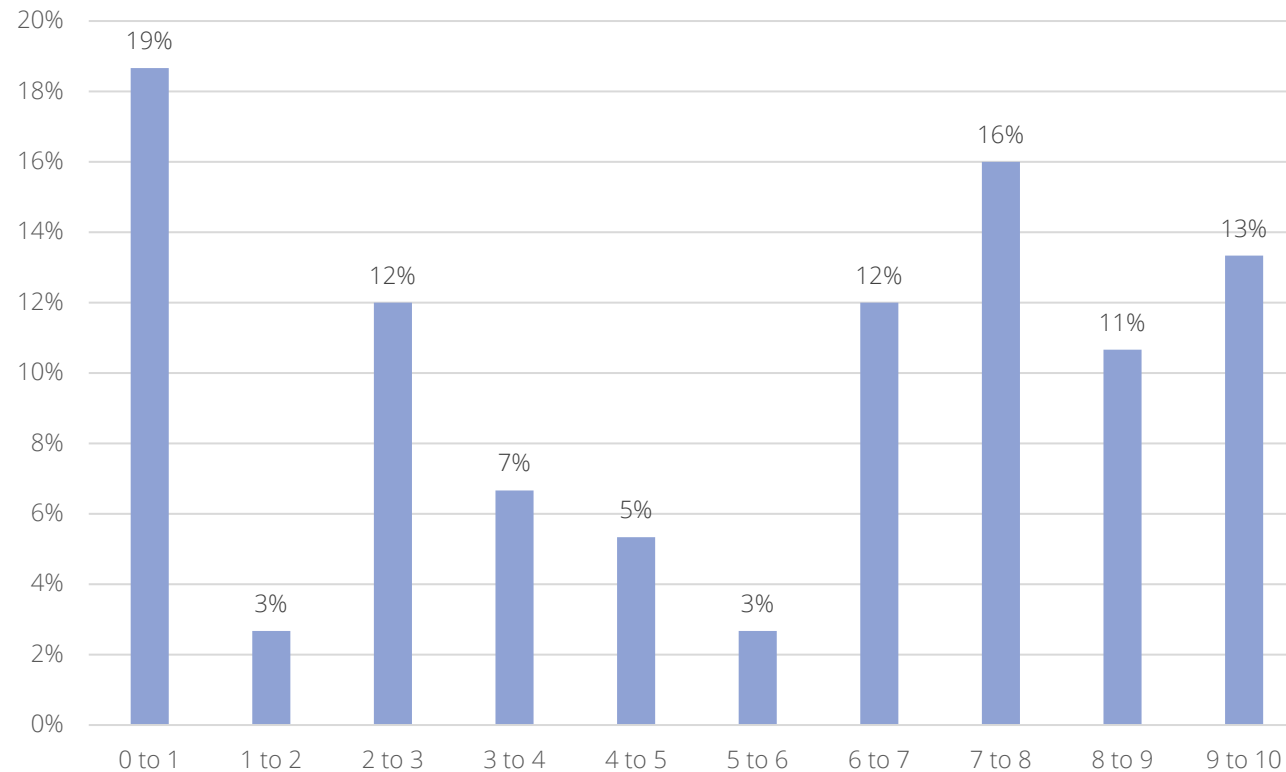
Streamline the process for new housing construction



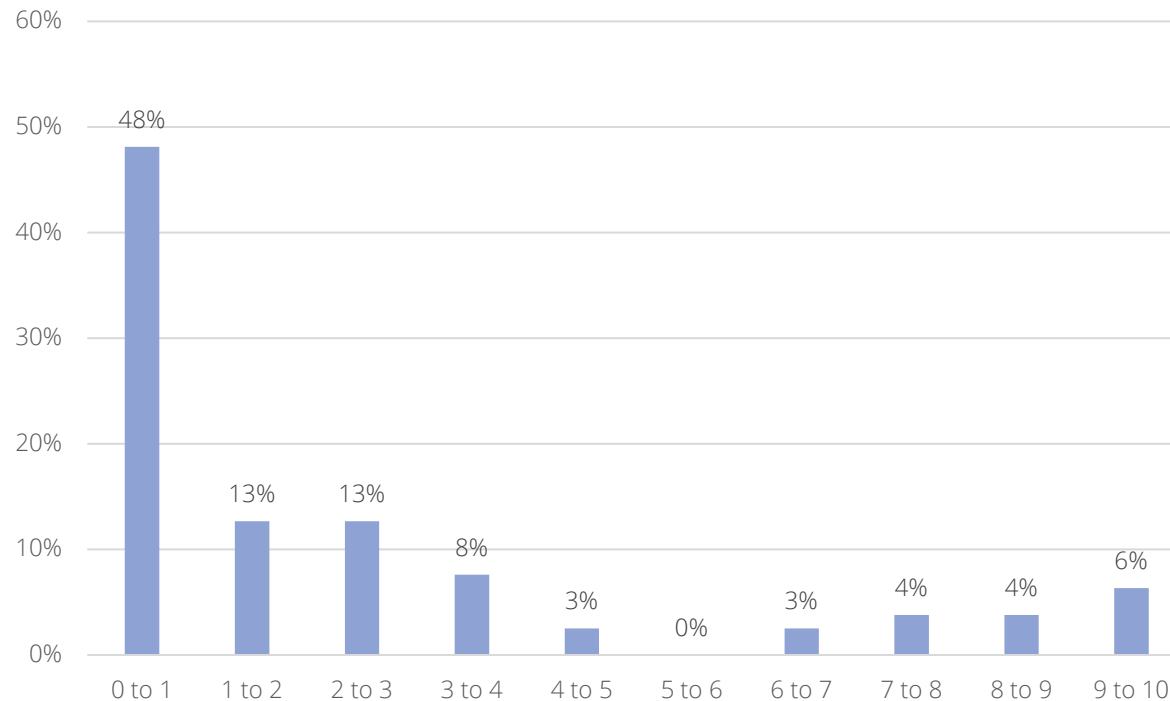
Support homeowners who want to build Accessory Dwelling Units or in-law units on single-family lots



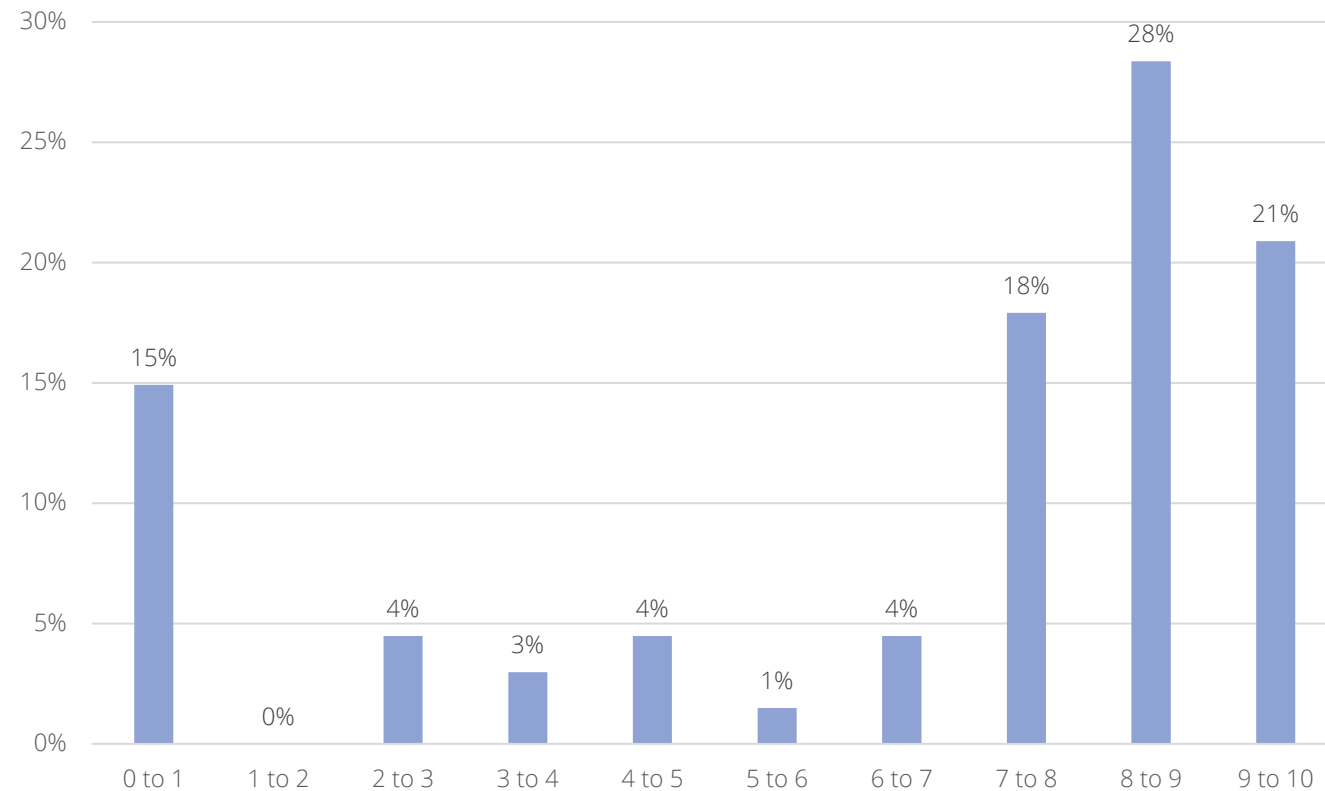
Establish housing for seniors, large families, veterans, and/or persons with disabilities



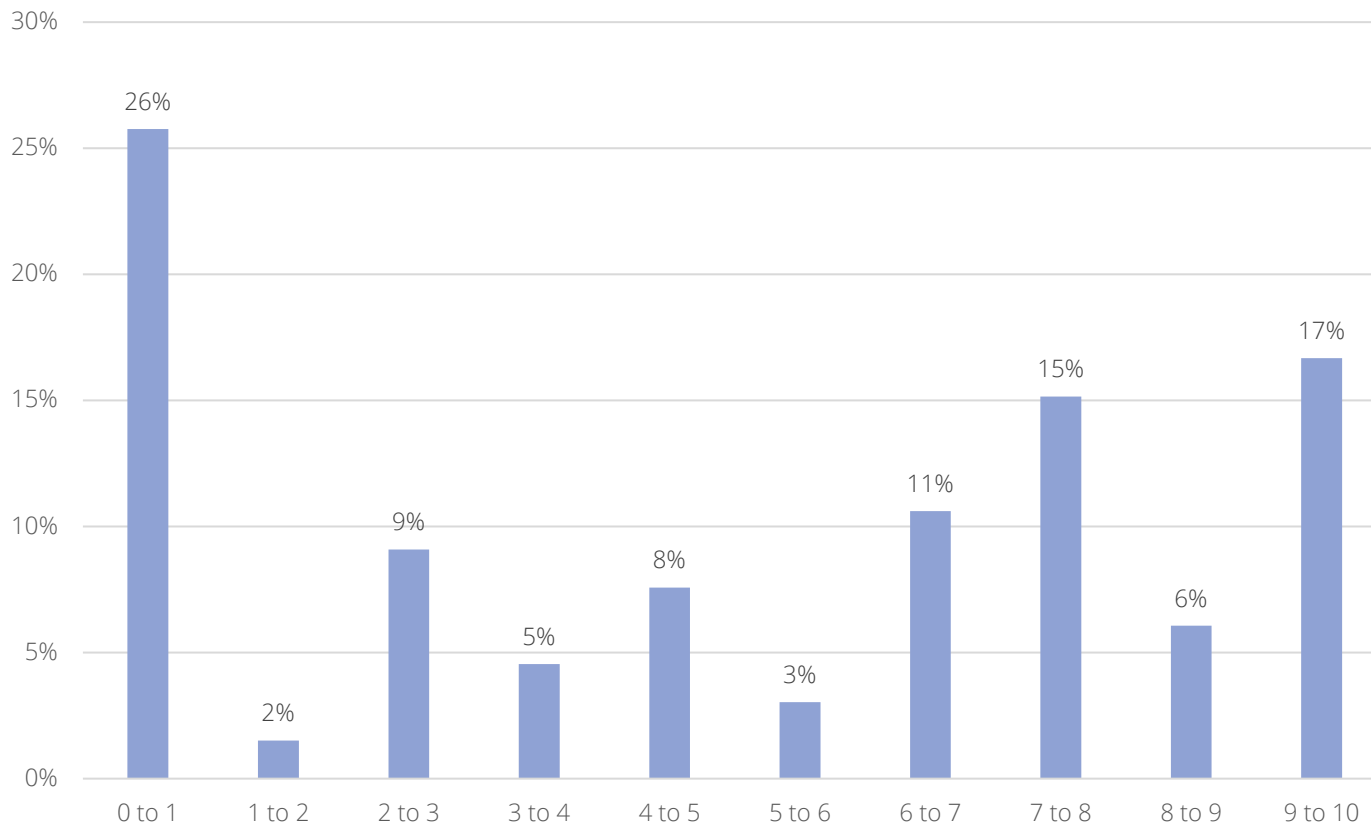
Provide shelters and transitional housing for homeless families and individuals, along with services that help move people into permanent housing



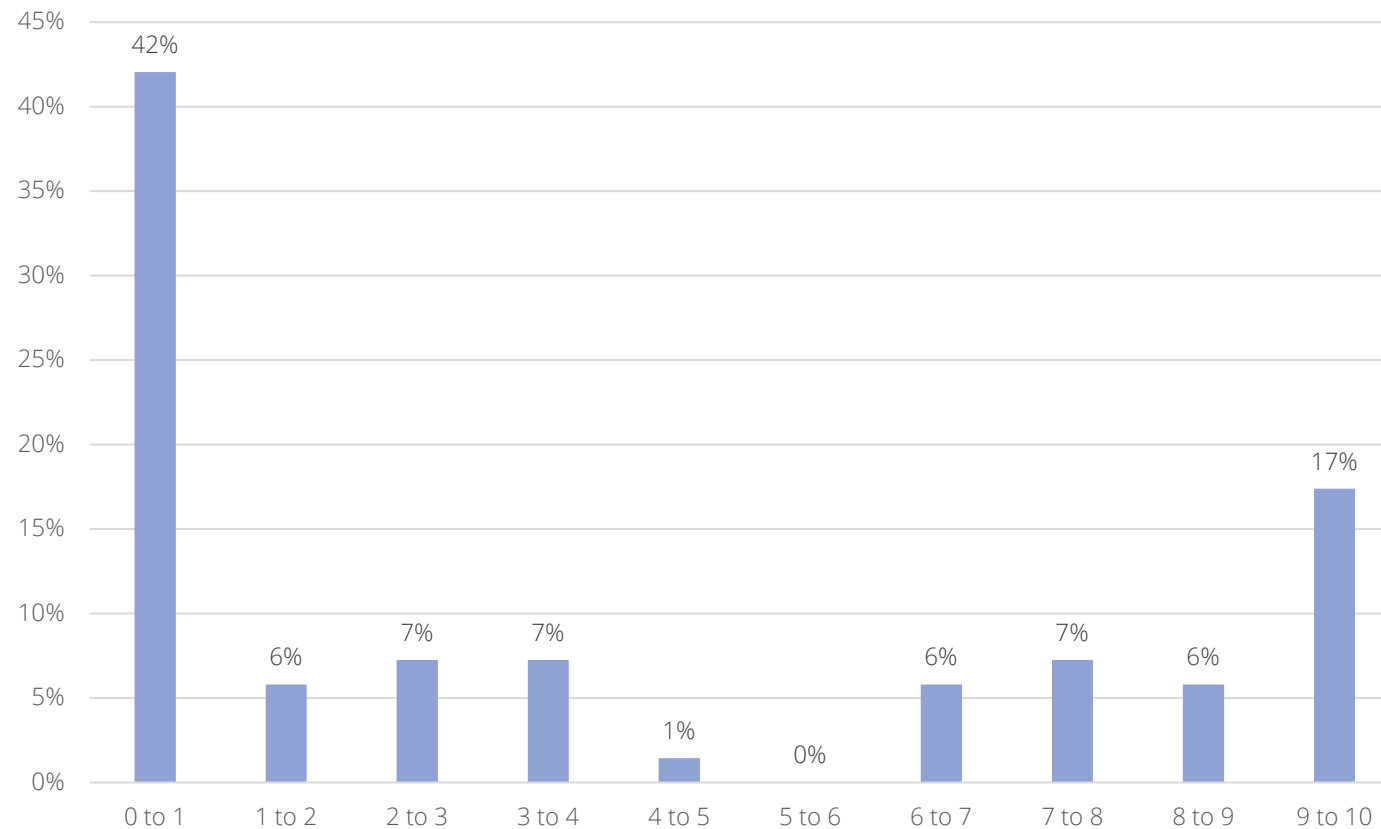
Encourage the rehabilitation of existing housing in older neighborhoods



Support programs to help homeowners at risk of mortgage default to keep their homes



Target efforts to address long-term inequities in the housing market, including discrimination in renting

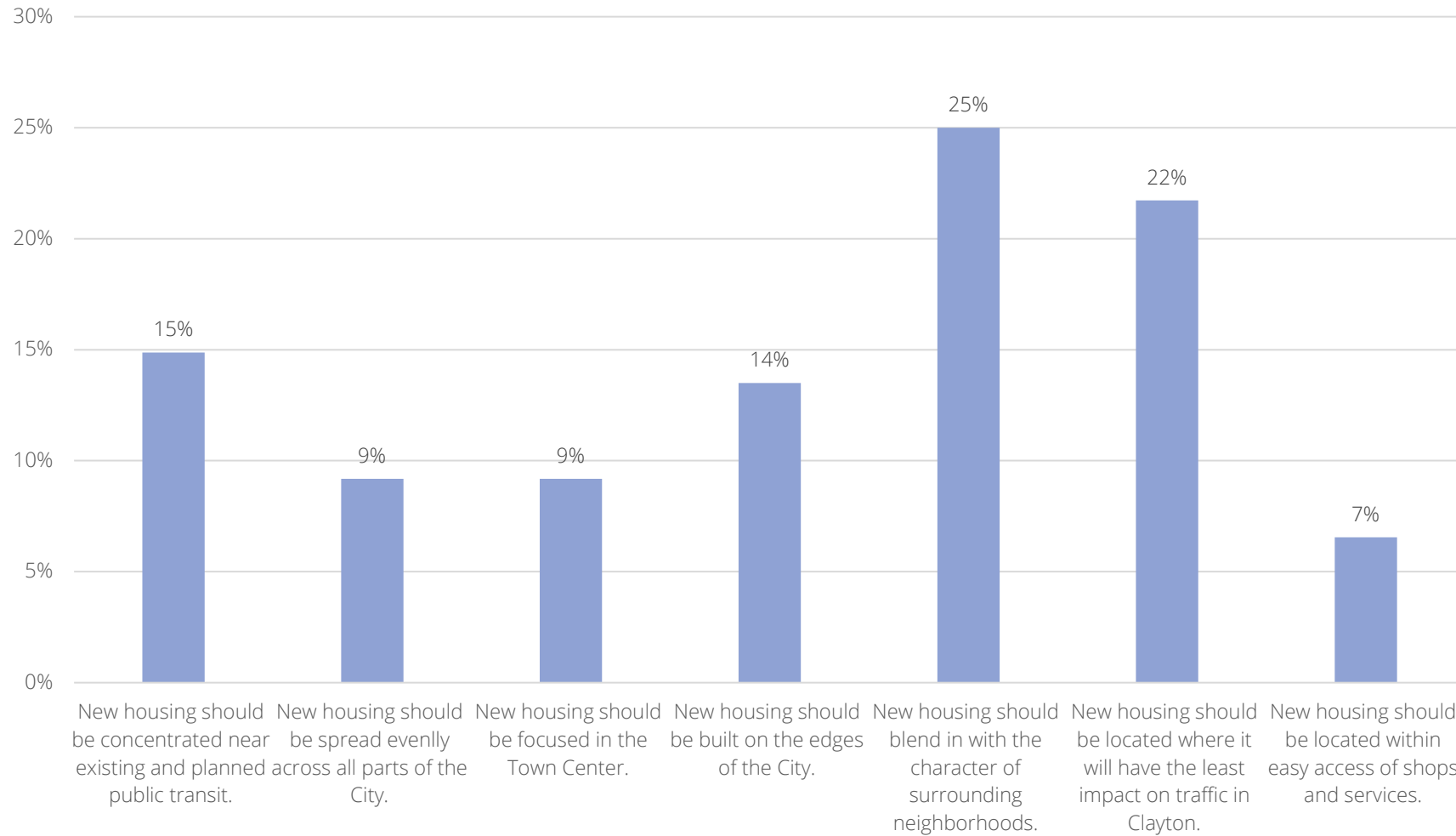


Tradeoffs



In selecting housing strategies, the Housing Element will need to identify priorities and make tradeoffs. You've been given \$100 to spend on the housing strategies listed below. Please identify your preferred strategies by spending your \$100. You can spend the \$100 however you choose (in \$10 increments) across the options below.

You've been given \$100 to spend on the housing strategies listed below. Please identify your preferred strategies by spending your \$100.



CITY OF CLAYTON SIXTH CYCLE HOUSING ELEMENT

Maptionnaire Survey Results

December 21, 2021



City of Clayton

Preliminary 6th Cycle Sites

Preliminary 6th Cycle Sites (685 Units)

A 26 Units (20 du/ac)	K 4 Units (3 du/ac)
B 35 Units (5 du/ac)	L 7 Units (1 du/ac)
C 1 Unit (3 du/ac)	M 161 Units (20 du/ac)
D 8 Units (3 du/ac)	N 20 Units (20 du/ac)
E 21 Units (20 du/ac)	O 81 Units (20 du/ac)
F 14 Units (20 du/ac)	P 9 Units (20 du/ac)
G 33 Units (20 du/ac)	Q 51 Units (20 du/ac)
H 23 Units (20 du/ac)	R 27 Units (20 du/ac)
I 132 Units (10 du/ac)	S 11 Units (20 du/ac)
J 21 Units (5 du/ac)	

Previous/New Cycle Sites

	Previous 4th Cycle Site
	Previous 5th Cycle Site
	Previous 4th and 5th Cycle Site
	New 6th Cycle Site

December 2021

