



MEMORANDUM

TO: CITY COUNCIL

FROM: WHITNEY MCDONALD, CITY MANAGER

**SUBJECT: SUPPLEMENTAL INFORMATION
AGENDA ITEM 9.A. – JANUARY 26, 2021 CITY COUNCIL MEETING
CONSIDERATION OF ADOPTION OF THE HOUSING ELEMENT
UPDATE, GENERAL PLAN AMENDMENT 19-002, AND ADDENDUM
TO THE GENERAL PLAN ENVIRONMENTAL IMPACT REPORT;
LOCATION – CITYWIDE**

DATE: JANUARY 25, 2021

Attached is correspondence received for the above referenced item.

cc: City Manager
City Attorney
City Clerk
City Website (or public review binder)

From: [Kevin Buchanan](#)
To: [public comment](#)
Subject: Draft Housing Element Update
Date: Thursday, January 21, 2021 3:31:13 PM

Councilmembers and staff,

I'm writing to provide comments on the Draft Housing Element Update.

Site Inventory and Overestimation of Potential Units

Table 4-6 appears to imply a probability of development of 1 for all sites. A recent HCD memo clarifies that cities need to take into account the probability of a specific site being developed for housing in their site inventory.

https://link.edgepilot.com/s/96a5ce13/bP0i1XpqXEW_qtHXC91wig?u=https://www.hcd.ca.gov/community-development/housing-element/docs/Sites_inventory_memo_final06102020.pdf

Current statistics and research illustrate that the rate of development has only been around 25% for the median city in California. Alternatively, the memo states:

| This estimate may be based on the rate at which similar parcels were developed during the previous planning period

The housing element update needs to provide more potential sites for additional housing in order to realistically meet the RHNA. If adequate vacant or underutilized sites don't currently exist, the housing element needs to provide more specific and actionable policies and programs to reduce constraints (zoning, height requirements) in other potential sites.

Additionally, as stated multiple times by multiple participants in this update process, this update over-relies on speculative ADU creation.

Given that the city did not meet its fifth-cycle RHNA goals, the lack of adequate and realistic inventory in this housing element will certainly not meet the sixth-cycle goals.

Missing Middle Housing

I believe the housing element needs to better outlay specific goals and priorities to provide more missing middle housing in our city. Missing middle housing can sometimes be described as multi-family housing that looks like single family housing - duplexes, triplexes, cottage courts and townhomes.

https://link.edgepilot.com/s/30a6f20e/DyFtlc05R0OKVGl_mwXomQ?u=https://opticosdesign.com/blog/the-missing-middle-affordable-housing-solution/

Policy A.15 intends to encourage missing middle housing but is not tied to any program. There is no timeline nor desired outcome for any of the specific tactics for encouraging missing middle housing in this policy. Ostensibly the desired outcome would be to make some changes that actually do allow development of missing middle housing.

A.15. The City shall encourage the development of "missing middle" housing, including an evaluation of the zoning, design standards, and policies necessary to enable the types of housing that best serve "missing middle" households.

Staff has maintained the claim that policy 10-2 serves to streamline missing middle housing, but that does not change the fact that even a simple duplex is still illegal to build in the overwhelming majority of the city's land zoned for residential use. The city will likely not be able to meet any housing goals until broader, more systemic changes are made to its land use policies.

Increased Housing Accountability

The 2021 California State Budget dedicates \$4.3M for a Housing Accountability Unit.

<https://link.edgepilot.com/s/2f9c6822/5wBcXBpg9UeovXiTzX2ADA?u=http://www.ebudget.ca.gov/2021-22/pdf/BudgetSummary/HousingandHomelessness.pdf>

Governor Newsom has clearly stated the goals of this unit in the HCD:

This is to monitor city council meetings. This is to monitor board of supervisors meetings, planning commission meetings. We're not going to wait for an article to be written to be proactive in terms of holding local government accountable to increasing housing production.

<https://link.edgepilot.com/s/18b08403/5p5yETk92kebljdGI2C9eQ?u=https://www.jdsupra.com/legalnews/proposed-california-budget-would-create-9623999/>

Given the shortcomings of the current housing element update, and increased enforcement and accountability at the state level, the housing element in its current form will likely expose the city to litigation and intervention from the state.

Meeting the Community's Housing Needs

The chair of the planning commission's final remarks on this housing element update were, paraphrasing, that we don't need to build more housing in Arroyo Grande because the city's population isn't growing, and that the commission should be doing less planning for housing. This is an embarrassing, wrong, and, frankly, disqualifying statement.

For one, section 3.2, Demographic Overview, of this draft housing element clearly states that SLOCOG estimates the city to gain over 2,000 residents by 2050. Furthermore, this clumsy analysis confuses cause and effect - where is the population supposed to live if we aren't building housing? Table 3-14 shows 65 total vacant units available for rent or for sale in 2017. Arroyo Grande High School's 2020 graduating class was about 500 students, half of which went on to attend local community colleges. 250 young, local members of our community alongside many others potentially competing for 65 units. We are forcing people out and using it to justify the status quo.

87% of young voters in SLO County identified affordable housing as a chief issue:

<https://link.edgepilot.com/s/519bc163/fqi7PVxGxUCHIhQmFPbN-A?u=https://www.sanluisobispo.com/news/politics-government/election/article245817415.html>

60% of SLO County respondents call housing "seriously unaffordable":

https://link.edgepilot.com/s/76deb639/eCLkBzt100_qq6KeAXl0Lw?u=https://www.sanluisobispo.com/news/business/article239961518.html

In general, this housing element is overburdened by complexity that will likely struggle to find the staff time necessary to enact the various programs. The majority of the 2014-2019 Housing Element programs listed in table 6-1 still have not been completed. And to reiterate, even if all of these programs were implemented, this update will surely fall short of its stated and required goals. Broader land-use policy changes can and should be evaluated in order to simplify the housing element.

<https://link.edgepilot.com/s/ba40ec61/3it8Y7X2QUC3SEvELGue5Q?u=https://www.strongtowns.org/journal/2021/1/21/did-sacramento-just-approve-the-best-local-housing-reform-yet>

Allowing for more diverse housing types in more areas of our city can help meet the housing needs of current and future residents of all incomes in Arroyo Grande and SLO County.

Some in our community will surely say that we shouldn't be planning for future residents - we aren't building housing now and the population isn't growing so why change. Aside from being wrong, as I've already shown, this mentality ignores the fact that future residents in need of housing are already current residents or members of the community who commonly lack a voice in this process - children who would like to live in their hometown as an adult, students who would like to live on their own as they attend a community college, family members who can't afford to move home, and workers who commute from other cities because they can't afford to live closer to where they work.

Others will say that housing has never been affordable here - we all have to pay for the luxury of living in a coastal city. This ignores the current scale of the affordability problem and the exclusionary nature of our land-use policies and it's a shame that young people and anyone priced out of a place to live is consistently fed this myth. The need for such a rigorous housing planning process is a direct result of the exclusionary land use policies that we have had in place for decades.

Please consider more broad-based policy changes as part of this housing element to both meet the housing needs within our community and attain state-mandated RHNA housing goals in order to avoid increased enforcement of housing accountability measures at the state level.

Kevin Buchanan

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