

May 19, 2021

TO: Jessica Lynch, Senior Planner
Sherri Metzker, Principal Planner

FR: Georgina Valencia, Housing Element Committee Member

RE: Housing Element Draft Comments

- I. General Comments – page 1
- II. Comments - Housing Element Draft (page 2 – 7)
- III. Comments – Program Actions Policy, (page 7 – 9)
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I. General Comments:

The work required to produce a Housing Element (HE) document is challenging, even in the best of circumstances. But, given the fact that our city, like many, is dealing with retirements, short on staffing, a pandemic, low housing inventory, high rents, high housing prices and more, the challenge becomes even greater to a document that all stake holders feel satisfied with in the short time we have. Even with all of these pressures it is still important to take the time for comments, revisions and reviews to get the Housing Element right. And to keep in mind that Housing and Community Development (HCD) views the Housing Element as *“important to meeting one of the most basic needs of Californians, it can be daunting; and yet, the importance of housing elements to individuals and families, communities, and those who build homes and apartments is undeniable.”*

The HE document follows a format required by HCD. The document is a collaboration between City Staff, Consultants with input from the community and various stakeholder groups. The HE is a mandated process and the information covered in the document is necessary to meet state requirements. The groups collaborating to produce the HE are producing a document that should reflect the community values and vision for the future. And *“While the housing element must address specific state statutory requirements, it is ultimately a local plan and should reflect the vision and priorities of the community.”* (*HCD Housing Element website)

II. Comments by page number of the Housing Element Draft released 5.3.21

1. Page 8 Input Received and Responses to Input Received

last bullet on the page reads -

The Housing Element Committee and other participants emphasized the need for a robust permanent source of funding for the City's Housing Trust Fund, as well as the need to set priorities regarding how the fund would be used.

Comment: Without the HTF draft document there is no reference for either council or the community to use a tool to measure progress for programs and priorities for affordable housing. To use only our memory of what the intentions of the authors and supporters were without the actual HTF draft document to review and reference is not ideal.

SSC on Monday, May 17th voted again unanimously to have the HTF draft document be added to the HE as an appendix for reference.

2. Page 9 - ...These include, but are not limited to: creating a centralized application that residents can use to apply for affordable housing ...

Comment: This is a reference to the Housing Trust Fund draft...again, the document should be in the appendix to reference for review.

3. Page 10 - Input from the Virtual RHNA Workshop

"In total, these three strategies could provide enough sites to address the City's current shortfall. In addition, some of the other strategies that were included in the workshop, such as rezoning business park and office land, received mixed support overall, though responses indicated stronger support for these strategies depending on the specific sites that would be selected for rezoning. "

Comment: In light of the letter received by the committee from Adam Buchbinder can staff give a response to the analysis in the letter?

4. Page 11 - Table 3: Housing Units Permitted in Davis, 2012-2019

Comment: The shortfall in numbers for the 2013 – 2019 period is shown. The comment that some of this shortfall will be addressed is not very satisfying. How will the full count be resolved, or if not resolved are there consequences to the city for not meeting these numbers. I see the shortfall reported but not a complete analysis or solution offered.

5. Page 14 - The City also published the Public Review Draft of the DDSP in Fall 2019. vIf approved, the plan would allow for as many as 1,000 new residential units of varying sizes and unit types in the downtown area and reduce demand for greenfield development at the edges of the city.

Comment: Is the number 1,000 a realistic number? And is this used in RHNA determinations?

6. Page 18 - What is a Universal Access Ordinance? Is this referencing Universal Design?

7. Page 21 - As of the end of 2020, the City had issued building permits for a total of 1,483 housing units, including 138 very low income units, 160 low income units, 510 moderate income units, and 675 above moderate units during the 2013-2021 Housing Element cycle. The City still had a remaining RHNA of 110 very low income units and 14 low income units and had already met and exceeded its obligation for moderate and above moderate income units.

Comment: again in reference to the letter received regarding RHNA numbers is this accurate?

9. Page 26 - The City and Yolo County Housing are currently working to review and revamp the affordable ownership program and to improve the waitlist process to ensure equity.

Comment: This is very important and recent event. I would suggest that this be included in the HTF set of priorities.

10. Page 29 - The City also worked with HCD in 2019 to advocate for an alternative methodology for counting by-the-bed and room rentals for the purpose of the City's share of the RHNA to reflect the City's unique needs for student- oriented housing.

Comment: What is being done in other University towns?

Policy Category 7.5

11. Page 34 - This is an ongoing program that will continue to be implemented. The City completed 539 resale inspections in 2019, ensuring proper maintenance of those units.

Comment: where do these funds go? Is this a source for the HTF? Is this a self sustaining program?

12. Page 49 - The changes in household income distribution in Davis between 2014-18 are worrying. We appear to see an increase in students and very rich households, with everyone else getting priced out. I think we all agree this is not the city we want to be. I'm glad this information is in the Housing Element to help open up the conversation.

13. Page 57-59 - Populations and employment, and growth

Comments: Is there a consideration in these numbers of what will be happening at the University and what is stated in the LRDP?

2018 LRDP

UCD enrollment increase is 5175

Employment increase by 2,175

Community College on UC Davis Campus increase by 615

Dependents of UC residents 1,489

USDA, daycare all non UC 305

TOTAL 9,719

14. Page 71-75 - Affordable Housing Inventory

Comment: Rental and ownership are combined – should these 2 affordable housing types be considered separately? And located on maps to determine variation of neighborhoods that are being served with affordable housing and compliance with Fair Housing.

15. Table 30 shows 126 Owner Affordable units

Comment: List of the specific unit address' and type of deed restrictions – allow better management of the program. Help keep realtors informed about the location of the properties so a property isn't offered incorrectly as a market rate property. Also, to keep the title companies properly informed. The document they are using for reference is dated 2008.

16. Page 94-95 Race & Ethnicity - The analysis concluded that the Davis community features relatively low levels of racial and ethnic segregation, as evidenced by the data, as well as public input and stakeholder consultations. How do we create a more diverse community?

Comment:

Habitat for Humanity article: <https://www.habitat.org/stories/5-policy-solutions-advance-racial-equity-housing>

There should be goals and possible solutions to reduce racial and ethnic segregation. An example of goals or statements from Habitat for Humanity is as follows: Segregation is the legacy of deliberate policy and zoning choices that led to the underinvestment and isolation of communities where Black households lived, and the creation of separate, higher-opportunity communities that excluded people of color. Today's [economically exclusionary zoning perpetuates this segregation](#). Governments at all levels are obligated to increase opportunities for Black households to live in neighborhoods with good schools and safe streets. They can do this by:

Reforming zoning to allow mixed-income communities. By diversifying the types of homes allowed in their communities, localities can make them more racially and economically inclusive.

Building and preserving affordable homes in communities of opportunity. Davis is an opportunity zone. Zoning reforms are necessary but often insufficient alone — governments must also increase investments in affordable homes in non-segregated communities.

Increasing the mobility of families with vouchers. Federal housing choice vouchers were designed to help low-income households afford modest rental homes in every U.S. neighborhood. with high deposit requirements and unaffordable moving expenses often restrict families from using them outside of high-poverty, segregated areas.

17. Page 153-154. The sums of extremely low income and very low income units in Table 56 appear to be slightly incorrect. Also, to clarify: are the lower-income bed rental units deed-restricted?

18. Page 159. I appreciate the use of SACOG data, but **are the ADU affordability assumptions appropriate for Davis, given our higher rents?** I would suggest immediately conducting our own cost survey for ADU rents. In the SSC meeting on May 17th there was a unanimous vote to have a rent survey performed either before or after the completion of the HE.

19. Page 160. (This is less a comment about the draft than a general observation about the process ahead.) The shortfall of 323 units in low-income housing capacity anticipated for 2021-2029 is disturbing. I appreciate the extensive and specific discussion, particularly in Appendix C, of how rezoning can help the City meet their legal responsibility in this regard. However, rezoning doesn't imply that units will actually be built, and I think it's fair to say given recent experience that status quo policy has not performed very well in getting affordable units built.

20. Page 164 - Table 56: Planned and Approved Projects, City of Davis, March 2021

Comment: These projects seem to be credited to previous RHNA numbers and the RHNA numbers we are discussing in this HE? i.e. Nishi, University Commons, Chiles Ranch, Trackside, Plaza 255, Research Park and Cannery Mixed Use

21. Page 170 - Table 59: City of Davis 2021-2029 Housing Capacity

Comment: Claiming that an ADU for very low and low credit to RHNA appears to be a flawed assumption. There are no city restrictions on the income levels of potential

renters of an ADU. Also, there are no requirements of Landlords to rent to income restricted individuals. Or, am I missing something?

22. Page 190 - Table 69: Residential Development Impact Fees, City of Davis

Comment:

This is a nice snapshot as to the costs for a building permit and how these costs affect the pricing and feasibility of building apartment units and housing in Davis. What would be very helpful, and I know it is difficult, would be to have some comparison to other cities. This would get us to whether we in fact are more expensive than other communities.

For example: in the HE for the City of San Luis Obispo The total fees for a building permit, CFFP, and impact fees for a 1,500-square-foot single family unit would be approximately \$59,000 and approximately \$39,500 for a 1,500 square foot multi-family unit.

23. Page 206 - Housing in-lieu fee of \$75,000 per unit

Comment: This fee was developed by one of the City Consultants several years ago. This number doesn't feel commensurate with the loss of an affordable unit today. Should be based on a square foot basis as opposed to by unit basis.

24. Page 206 - Table 72 Emergency Homeless Shelter Beds, April 2021
HEART Davis Emergency Shelter Program Davis Seasonal 40 beds

Comment: The 40 Beds are supported by Project Room Key and that money is gone on June 30 2021. Therefore, this doesn't seem to be an accurate accounting to use in the table. (HEART Letter)

25. Page 212 - Land Costs

\$50,000 to \$60,000 per unit for multifamily rental projects, \$75,000 per unit or higher for townhome projects, and over \$100,000 per unit for single-family subdivisions.

Comment: As a licensed real estate broker, in my professional opinion if a single lot were available in Davis the costs would \$300,000 plus. I do not understand the valuations given to land costs?

26. Page 222 - Housing Goals, Policies and Programs

Consider the following (borrowed from San Luis Obispo HE) considered as additions to our HE as a way to align the staff, council and community together on the Goal of more housing:

1. Residential projects will be given priority over non-residential projects

2. Housing affordable to lower income households will be given first priority.
3. Allow flexible parking regulations for housing development, especially in the Downtown Core, including the possibilities of flexible use of city parking facilities by Downtown residents, where appropriate, and reduced or no parking requirements where appropriate guarantees limit occupancies to persons without motor vehicles
4. Encourage UC Davis to continue to develop on-campus student housing to meet existing and future needs and to lessen pressure on City housing supply and transportation systems.
5. Strengthen the role of on-campus housing by encouraging UCD to require freshmen and sophomore students to live on campus.
6. Encourage UC to locate fraternities and sororities on the University campus. Until that is possible, they should be located in Medium-High and High-Density residential zones near the campus.
7. Encourage UC Davis to continue their plans to develop more faculty housing and to develop staff housing and provide programs for maintaining both, to lessen the pressure on the City housing supply and transportation system.

27. Page 256 - Memorandum between City of Davis and HCD for a RHNA calculation credit for Beds vs units.

Comment:

This October the memo is 2 years old. Is there any indication from HCD as to their position regarding RHNA credits for BED.

Do we have any indication of what other University towns are doing in their efforts to align University growth pressures and RHNA numbers?

28. Page 262 Appendix C: Candidate rezone sites

Missing properties: Hibbert Lumber, view corridors in Wild Horse, seldom used parks/open space.

III. Comments – Program Actions Policy

Page 219 – Program Actions Policy 2.2.1

2.2.1 Identify and implement one or more sources of robust permanent funding for the City's Housing Trust Fund and establish and prioritize uses for these funds to strengthen the City's commitment to affordable housing.

a. identify funding priorities that increase emergency non-congregate shelter capacity, provide rental assistance through vouchers for renters in affordable properties, and down payment assistance for homebuyers of affordable properties.

b. establish programs for: increasing non-congregate shelter capacity, use of rental assistance vouchers, and down payment assistance for first-time homebuyers, online hub/navigation center for information on available for sale or resale homes. p217. Please add **SSC participation in the affordable housing ordinance process** onto item 2.2.1. The affordable housing ordinance is central to much of what we do.

2.2.2 Over the next 2 year time period the SSC & Planning Commission will pursue and evaluate new funding sources as cited in the Housing Trust Fund draft.

2.2.3 Establish programs and funding priorities as identified in the Housing Trust Fund draft.

Page 221 –

2.6.1 Explore programs to assist member of the City's workforce with securing housing in Davis,...

Needs to have a specific action – i.e. through use of down payment assistance the City's workforce will be assisted in securing housing.

2.7.2 Continue to monitor the number of persons seeking emergency shelter in Davis and Yolo County.

Example: Current homeless or point in time numbers are 150. The community wants to reduce that number by 10 individuals each year by various measures.

3.2.1 SSC shall continue to monitor affordable housing programs supported by CDBG, HOME and the Housing Trust Fund draft identified priorities/programs – i.e increase in emergency shelter, rental assistance, down payment assistance, single online hub/navigation for sale and rental affordable properties.

3.3.2 In order that Staff and SSC monitor ownership housing units. The HE will have a complete list of affordable ownership units with their respective deed restrictions and equity caps. This list will be monitored and updated with any changes and made public on the city website.

5.1.1 Continue to require maintenance and preservation of the existing housing stock through the existing resale/retrofit inspection program...

5.1.2 Through use of HTF funding or through deferment of fees allow affordable homeowners to waive the cost of the resale inspection.

5.2.6 Maintain standards for the regulation of condominium conversion applications so that low income households receive appropriate displacement protection...

5.2.6a Maintain/develop standards for protection of individuals at risk of losing housing with possible conversion of trailer parks to housing.

III. Vote by Social Services Commission meeting on 5.17.21

Valencia moved, with a second by Ennis, to have Housing Trust Fund draft become an appendix to the Housing Element. Unanimous vote by the SSC supporting this motion.

Vaitla moved, seconded by Ennis, to have SSC weigh in on 2.1, with a strong request to be involved in 2.1.1. Unanimous vote by the SSC supporting this motion.

Valencia moved, with a second by Vaitla, to complete a survey of the ADU rents as soon as possible to better understand rents charged for ADUs. Unanimous vote by the SSC supporting this motion.

Valencia moved, with a second by Vaitla, to incentivize landlords building ADUs by deferring permit fees if property rented to income-qualified individuals/households. Include this in the housing element. Unanimous vote by the SSC supporting this motion.

Vaitla moved, with a second by Fulp-Cooke, to encourage City to include in Housing Element a program to look at best practices of other college towns. Comments referenced the Housing Element for San Luis Obispo & Cal Poly. Unanimous vote by the SSC supporting this motion.

IV. Reference Documents

1. Long Range Development Plan for UCD
2. Housing Element 2020 – City of San Luis Obispo
3. Housing Trust Fund – Draft document
4. MSA (HUD definition) - Yolo County, California is part of the *Sacramento-Roseville-Folsom, CA Metropolitan Statistical Area*, which consists of the following counties: El Dorado County, CA; Placer County, CA; Sacramento County, CA; and Yolo County, CA.
5. Habitat for Humanity article: <https://www.habitat.org/stories/5-policy-solutions-advance-racial-equity-housing>