

RESPONSES TO HCD COMMENTS PLACER COUNTY DRAFT HOUSING ELEMENT

FEBRUARY 26, 2009

The following report summarizes Placer County's responses to the California Department of Housing and Community Development's (HCD) review letter of February 19, 2009 concerning Placer County's letter of December 22, 2008 written in response to HCD comments received on October 10, 2008. It includes verbatim excerpts from HCD's review letter and both narrative responses and proposed changes to the text (in underline) of the HCD Review Draft Background Report and Policy Document of the Housing Element.

HCD Comment 1

The revised element includes a program to explicitly allow Single Room Occupancy Units (SRO) as a residential use in "certain zones", (page 24). The program should clarify which zones the County is considering to allow SRO projects.

***Response:** The following program (numbering TBD) will be revised to include references to specific zones where the County will consider allowing SRO projects:*

Program X-X SINGLE ROOM OCCUPANCY (SRO) UNITS

The County shall amend the Zoning Code to define Single Room Occupancy (SRO) units and explicitly allow SROs as a residential use in certain zones. These zones could include the Multi-Family Residential (RM), Highway Service (HS), and Resort (RES) zoning districts.

Responsible Agency/Department: Planning Department

Timeframe: July 2009

Funding: General Fund

HCD Comment 2.A

The response letter indicates Program B-6, Program B-9, and Program D-2 are sufficient to assist in the development of housing to meet the needs of extremely low-income households (ELI). However, neither these programs nor the element specifically indicate how these programs are adequate to address the unique housing needs of extremely low-income households. To address this requirement, the element could revise programs B-6 and B-9 to prioritize use of a portion of the identified funding to be for the development of housing affordable to ELI households; and/or, include programs offering financial incentives or regulatory concessions to encourage the development of housing types, such as SROs, which address the needs of this income group. In addition, the County could consider a program to encourage development of housing affordable to ELI households by providing financial or regulatory incentives to developers who agree to include a portion of their units affordable to ELI households.

***Response:** The underlined text will be added to the following programs to specifically address the housing needs of extremely low-income households and a new policy will be added to include consideration of extremely low-income units to meet affordability requirements in specific plans:*

Program B-6 REDEVELOPMENT SET-ASIDE FUNDS

Consistent with State law, twenty percent of the tax increment funds accruing to the Redevelopment Agency shall be directed to affordable housing. If successful in receiving funding from the Local Housing Trust Fund matching program, the County shall encourage the Redevelopment Agency to work with affordable housing developers to utilize a portion of set-aside funds for development of housing affordable to extremely low-income households.

Responsible Agency/Department: Redevelopment Agency

Timeframe: Ongoing

Funding: Tax increment

Quantified Objective: 425 units

Program B-9 STATE AND FEDERAL FUNDS

The County shall apply for State and Federal monies for direct support of low-income housing construction and rehabilitation. The Redevelopment Agency and Health and Human Services shall continue to assess potential funding sources, such as, but not limited to, the Community Development Block Grant (CDBG), and HOME. The County shall also seek State and Federal funding specifically targeted for the development of housing affordable to extremely low-income households, such as the Local Housing Trust Fund program and Proposition 1-C funds. The County shall promote the benefits of this program to the development community by posting information on its web page and creating a handout to be distributed with land development applications.

Responsible Agency/Department: Redevelopment Agency, Health and Human Services/Adult System of Care

Timeframe: Ongoing, depending on funding programs; promotional material will be prepared and utilized within six months of adoption of the Housing Element

Funding: General Fund, Technical Assistance Grants

Quantified Objective: 100 units

Program B-5 FEE WAIVERS

The County shall adopt a resolution waiving 100 percent of the application processing fees for developments in which 5 percent of units are affordable to extremely low-income households, 10 percent of the units are affordable to very low-income households, 20 percent of the units are affordable to low-income households, or 30 percent of the units are affordable to moderate-income households. Additionally, the County shall evaluate waiving environmental review staff time charges for projects containing affordable housing units. To be eligible for fee waiver, the units shall be affordable by affordability covenant. The waiving or reduction of service mitigation fees may also be considered when an alternative funding source is identified to pay these fees. The County may use either redevelopment set-aside funds or the Housing Trust Fund to subsidize the service and mitigation fees for affordable housing developments. The County shall promote the

benefits of this program to the development community by posting information on its web page and creating a handout to be distributed with land development applications.

Responsible Agency/Department: County Executive Office, Planning Department, Building Department, Public Works, Parks and Grounds Division, and Health and Human Services (HHS)

Timeframe: FY 2008/2009; promotional materials will be prepared and utilized within six months after adoption of the Housing Element

Funding: General Fund, Redevelopment set-asides, Housing Trust Fund

New Policy The County currently requires 10 percent of residential units in specific plans be affordable (4 percent very-low, 4 percent low, 2 percent moderate). On a case-by-case basis, the County shall consider allowing developers that provide extremely low-income units to reduce the required percentage of other affordable units.

HCD Comment 2.B

Given the increased reliance on commercial and mixed-use sites to accommodate housing affordable to low-income households, the element continues to require programmatic actions to facilitate housing development within these zones. For example, the element could modify Program A-4 (Mixed-Use Development) or include additional programs to specify how the County will promote the availability of these sites, target specific financial incentives, and offer expedite the permit processing procedures and other regulatory incentives for stand alone residential development as well as mixed-use developments.

Response: The underlined text will be added to Program A-4:

Program A-4 MIXED-USE DEVELOPMENT AND RESIDENTIAL DEVELOPMENT IN COMMERCIAL ZONES

The County shall create a mixed-use zoning overlay district and prepare related design guidelines. The County shall also adopt incentives for residential development that is part of a mixed-use project or high density, stand-alone residential projects in commercial zones, including but not limited to relaxed development standards, reduced parking requirements, and expedited development review procedures. Additionally, the County shall maintain an inventory of potential sites for mixed-use and residential development in commercial zones and promote the inventory and incentives to the development community and property owners.

Responsible Agency/Department: Planning Department

Timeframe: July 2010

Funding: General Fund

Quantified Objective: 425 units in mixed-use projects (352 affordable units)