

COURTESY DOCUMENT
HOUSING ELEMENT UPDATE CHANGE REVIEW DOCUMENT

This supplements the formal public review document, with ~~strikeout~~ typeface illustrating deletions, and underlined typeface illustrating new text. It is useful to identify proposed changes to the adopted Housing Element.

Preface

The City of Encinitas has been working over the past 20 months to update the Housing Element. Our approach to editing the 1992 policy document was to limit the changes to address only what was legally required in order to comply with recent state law changes.

The first section of this document discusses the approach to editing the existing text in the current Housing Element document, as reported to City Council and the Planning Commission in March 2015. The second portion of the document provides the public review document, with annotated changes. All reviewers are encouraged to get additional information, including the formal public review document, at www.athomeinencinitas.info.

SECTION 1. Approach to Editing the 1992 Housing Element Document

The City's current Housing Element is broken down into three main sections: Introduction, Goals and Policies, and Housing Plan. Below summarizes the purpose of each section and outlines staff's approach to editing/amending each respective section.

1. Introduction of the Housing Element

The purpose of the introduction section is to set the format and organization of the Housing Element. The section includes components such as a purpose statement and an overview of the public participation and engagement. Much of the existing text is outdated and requires an update to reflect current data and/or circumstances. However, we are able to keep some of the existing text as it still provides a relevant backdrop to today's housing challenges and needs. Text changes are shown in ~~strikeout~~/underline format and where appropriate.

2. Housing Element Goals and Policies

This section contains the goals and policies the City intends to implement to address a number of important housing-related issues. This section sets the direction for how the City proposes to address its current and future housing needs. The text changes proposed to this section (~~strikeout~~/underline format) are largely intended to reflect changes in state law/circumstances.

3. Housing Plan

This section assesses the factors that affect future housing such as population projections, employment market, household characteristics, and special needs groups, just to name a few. The plan also lists the constraints to housing such as market constraints (i.e. economic factors, land and construction costs, financing availability), governmental constraints (i.e. land use controls, permit fees) and environmental constraints (seismic safety, flooding, storm water management, school and education, fire and emergency services). The City's current Housing Plan requires the most edits for two main reasons.

- First, the factors and challenges impacting housing today are very different from the factors and challenges experienced in the early 1990s, when most of this section was written. Nearly all of the text is out of date.
- Second, the State Department of Housing and Community Development (HCD) requires a lot more detail in the preparation of this section than in previous years. HCD is the State agency responsible for reviewing local Housing Elements for conformance with State law. Today, the process has evolved considerably and HCD requires a lot more detail and explanation before they will consider certification of a Housing Element.

For these reasons, the Housing Plan is being stricken in its entirety and rewritten (refer to <http://www.encinitasca.gov/index.aspx?page=467>).

SECTION 2. Draft 2013-2021 Housing Element (strikeout/underline changes to 1992 version)

INTRODUCTION OF THE HOUSING ELEMENT

The Land Use Element is concerned with housing in a spatial context while the Housing Element identifies housing programs aimed at new housing construction, and rehabilitation and conservation of the existing affordable housing stock. This Housing Element builds upon the land use goals and policies which are primarily concerned with where new housing is to be located and at what density it will be constructed. Other concerns of the Housing Element include the identification of strategies and programs that focus on housing affordability, rehabilitation of substandard housing, meeting the existing demand for new housing, and maintaining an adequate supply of rental housing. The Housing Technical Report provides background information and serves as a technical appendix for the Element.

~~The Encinitas Housing Element was first adopted on March 29, 1989, as part of the City's first comprehensive General Plan. A draft of that element had been reviewed by the State Department of Housing and Community Development (State HCD) as provided by State law, and the Element as adopted was responsive to HCD's comments. Notwithstanding, shortly thereafter State HCD provided a lengthy and detailed analysis of the Element as adopted which suggested several changes, especially involving further detailing of information. In the summer of 1989 the San Diego Association of Governments also began the process of revising a regional housing needs statement for the San Diego region (referred to in this Element as the 1990 RHNS) which provides updated regional housing share~~

estimates for each City in the County. These share estimates are required by State law to be included in each City's Housing Element.

To address State HCD's comments and suggestions, and be able to incorporate regional share numbers into the Element, the City Council determined in late 1989 to initiate a review of the Element. The result was a revised Element, adopted on April 24, 1990, after public workshops on housing issues, new State HCD review, public review, and public hearings by the City's Planning Commission and the Council.

In recent years, State and federal legislation have recognized the potential loss of existing government subsidized rental housing units through owner prepayment or expiration of the subsidy arrangement. State housing law requires that local housing elements establish the status of such "units at risk," and address available means to either replace them or provide a study of such units in Encinitas in 1991. Based on this study Council initiated an amendment of the Housing Element in January 1992. After State HCD review and public hearings, an amendment was adopted on June 17, 1992.

In recent years, attention has focused on the high cost of housing. Younger families just entering the housing market are finding it more difficult to qualify for housing loans. Many of these families are paying in excess of 30 percent of their monthly income for housing. The high cost of housing also places a greater strain on those households with limited resources, especially single parent households or senior citizens on fixed incomes.

The City is facing some significant challenges when it comes to meeting our housing needs --- housing costs in Encinitas continue to climb, while the availability and variety of our housing is lacking. The median housing cost in Encinitas is nearly 20 percent higher than other North county coastal areas. At the same time, we have a growing population and our existing residents have changing needs. For example,

- Baby Boomers are aging and our senior citizen population is projected to nearly double by 2035. Many seniors will seek to downsize and move into smaller homes in urban areas with easy access to services, transportation and amenities.
- Millennials have been slower to buy single-family homes than earlier generations. Rising student debt, the cost of housing, and challenges in securing mortgages have contributed to this, but they often want different things in housing and neighborhoods than are available today. They are looking for pedestrian and bike-friendly communities with services and amenities nearby.
- According to SANDAG's regional growth forecast, CA can expect steady population growth through 2050.

It is important to also note that Nnew residential development in Encinitas has placed an additional burden on public services and infrastructure. New schools, roads, fire stations, sewers, and a host of other facilities and services will require expansion if current levels of service are to be maintained. Finally, there are concerns that future residential development will further degrade the local environment, including the hillside areas, natural stream channels, and wetlands. All of these areas are viewed by residents as resources worth preserving.

The Housing Element recognizes the need to provide housing for all economic segments of the community, which must consider and mitigate adverse impacts to services and infrastructure. The Housing Element also satisfies the legal requirements that housing policy be a part of the General Plan. This Encinitas Housing Element is prepared for the 2013-2021 update cycle for jurisdictions in the San Diego Association of Governments (SANDAG) region.

The San Diego Association of Governments initiated the preparation of a series of regional growth forecasts in the early 1970's, which since has become a fundamental element of regional and local planning. The Series 7 Forecast is the most recent of those growth forecasts, a result of a cooperative effort between the staff of SANDAG and each city in the region as well as the County of San Diego. The Series 7 Forecast illustrates the likely distribution of 2.59 million people throughout the region in 1995; 2.78 million in 2000; and 3.15 million by the year 2010. The Series 7 Forecast also indicates the likely population distribution in distinct subareas of the SANDAG region. The subarea forecast reflects a consensus of the current public policies in the General and Community Plans of the region's jurisdictions. Future urban growth and employment development, as well as the inter-jurisdictional impacts of public policy changes, can be observed in the future distribution of people, employment and land use activity.

The Series 7 subarea forecasts cannot be used to distribute "regional housing needs" among individual cities, as required by state law. The regional need figures quoted in this Element are based instead on the 1990 Regional Housing Needs Statement, also produced by SANDAG. But the RHNS and Series 7 have a common statistical base in computing the projected growth of the entire region. The City needs to be confident, then, in the accuracy of both series 7 and the RHNS insofar as they establish planning goals and objectives for the City's Housing Element. The City's intent with this Element is to satisfy the need for housing, with a variety of programs tailored for the broad variety of that need. In carrying out those programs, the City will be one of several local governments addressing the regional housing problem.

The Housing Element consists of housing goals and policies for the five communities that comprise the City. Specific housing programs that will implement these goals and policies are identified in the section entitled Housing Plan which follows the Goals and Policies. Finally, the Housing Element Technical Report contains much of the necessary background data required for formulating these goals and policies as well as supporting technical data required by the State Housing and Community Development Department.

The State Legislature recognizes the important role of local general plans, and housing elements in particular, in implementing Statewide housing goals which call for the provision of decent and sound housing for all persons. In addition, the importance of continuing efforts toward providing housing that is affordable to all income groups is stressed. ~~The major concerns of the Legislature with regard to the preparation of housing elements are included in the State Code which states:~~

° ~~Local governments should recognize their responsibility in contributing to the attainment of the State's housing goals;~~

° ~~Cities and counties should prepare and implement housing elements coordinated with State and Federal efforts in achieving the State's housing goal;~~

- ° ~~Each local jurisdiction should participate in determining the necessary efforts required to attain the State's housing goals; and finally~~
- ° ~~Each local government should cooperate with other local governments in addressing regional housing needs.~~

The State Department of Housing and Community Development is also very specific regarding the scope and content of housing elements prepared by cities and counties. State requirements are summarized in Table 1, and have been addressed in the applicable sections of the Encinitas Housing Element.

For the 1992 amendment of the Element to address "units at risk," new public hearings before Planning Commission and Council were held. These followed Planning Commission and City Council public review in 1991 of a report which defined "units at risk" within the City.

This Housing Element covers the planning period of January 1, 2013 through June 30, 2021, and identifies strategies and programs that focus on:

- Conserving and improving existing affordable housing;
- Providing adequate sites and range of housing types;
- Assisting in the development of affordable housing;
- Removing governmental and other constraints to housing development; and,
- Promoting equal housing opportunities.

An important goal of this element is to ensure that the City of Encinitas embraces the distinct identity and character of its five communities and becomes a place where one can live their entire life with housing for all ages, incomes and abilities. The City envisions itself as a sustainable community that embraces everyone's quality of life through environment, fiscal health, community health and equity. This Housing Element provides policies and programs to address these issues. The 2013-2021 Encinitas Housing Element consists of the following major components:

- Introduction:** An overview of the purpose and contents of the Housing Element.
- Goals and Policies:** A set of goals and policies to guide the City actions and decisions relating to the provision of housing.
- Implementation Plan:** A strategy to address the identified housing needs given the City's constraints and resources.
- Housing Needs Assessment:** An analysis of the demographic and housing characteristics and trends.
- Housing Constraints:** A review of potential market, governmental, and environmental constraints to meeting the identified housing needs.
- Housing Resources:** An evaluation of resources available to address housing goals.
- Review of Past Accomplishments:** An evaluation of previous Housing Element-related accomplishments.

There was a considerable amount of public participation, both direct and indirect, in the formulation of Encinitas' housing goals, policies, and programs. The Introduction to the General Plan details the public participation and review of the entire General Plan at different stages related to the plan's initial adoption,

1987-1989. This participation was in many forms, including a questionnaire distributed at the various public meetings held in the early stages of the work program, workshops and study sessions held throughout the program at monthly intervals, and weekly meetings with the General Plan Ad Hoc committee. Finally, the public had an opportunity to review and comment on the General Plan at hearings held before the various Community Advisory Boards, the Planning Commission, and the City Council.

DELETE TABLE 1

The update of the Housing Element in 1990 provided further significant public input. This included two housing workshop sessions, in October and November of 1989, which reviewed housing issues and program alternatives in detail. Following were Planning Commission and City Council public hearings on revisions of the Element as proposed in 1990.

When updating a Housing Element, public outreach is often limited to some workshops or study sessions; and, noticing for those meetings is often limited to mailing key stakeholder groups, placing announcements on the website and/or newspaper postings --- In essence, a traditional and common-practice form of notification. Contrary to this standard approach, the City of Encinitas took an especially robust process to its public outreach by using several different methods in an effort to reach as many people as possible. Attachment A includes a summary report of all the meetings staff attended, the presentations that were delivered, the ads that ran, the articles and op-eds that were published, and the other promotions received from several other agencies and local community groups, including mention in their respective newsletters and social media networks. Some of the more notable outreach efforts discussed in the report are listed below.

- More than 21,000 mailers
- Portable electronic messaging signs in all five Encinitas communities
- 14 news articles/op-ed pieces
- More than 13,000 door hangers
- 5,400 families from Encinitas Union School District (flyer distributed)
- On-line ad on Seaside Courier's website (18,000 people)
- 750 families in Cardiff School District (flyer distributed)
- 45 briefings/presentations with business, seniors & millennial groups
- e-Newsletter and a series of e-blasts (about 8,000 subscribers)
- 3 "pop-up outreach" events hosted at popular shopping centers
- 2-rounds of print ads in Coast News & Encinitas Advocate (25,000 people)
- Attended Encinitas Fall Festival and Moonlight Beach Festival
- Frequent use of social media: twitter, Facebook and Instagram

City staff also conducted five Community Dialogue Sessions, one in each community, from the hours of 10 a.m. to 8 p.m. During these all-day events, the public was invited to view information and directly speak with staff about housing. For citizens who could not make one of the Community Dialogue Sessions, make-up sessions were offered to the public at City Hall between the hours of 10 a.m. to 8 p.m. during the entire week of December 1st.

The Community Dialogue Sessions featured six workstations for members of the public to learn about key issues related to the process of updating the City’s housing plan (also referred to as the Housing Element Update). Each station included a series of easy-to-read material boards covering varying topics. The material boards were also made available on the City’s website, on a webpage that was created specifically for this project. A user-friendly URL was also created, www.athomeinencinitasca.info, and the materials are still available for reference there. Upon entering the session, participants were asked to sign in (optional) and provided a “Station Roadmap” that explained the purpose of the Community Dialogue Session, outlined what they should expect at each station, and highlighted important facts about the process.

With this information in hand, community members could peruse the stations at their own leisure. City staff was also available to answer any questions, and in many cases, facilitated groups through each station and explained the information on the material boards. A summary of the public participation at the respective Community Dialogue Sessions is provided below.

DATE	SESSION	ATTENDEES
November 13, 2014	Cardiff	61
November 15, 2014	Old Encinitas	115
November 17, 2014	Leucadia	85
November 18, 2014	Olivenhain	25
November 22, 2014	New Encinitas	158
December 1-5, 2014	Make-up Sessions	35
TOTAL		479

The final step in the process was to provide feedback on e-Town Hall. Participants were encouraged to do this after completing all the workstations in the Community Dialogue Sessions; or, after independently reviewing the materials on the City’s website. Once participants logged on to e-Town Hall, they were asked to share their views and preferences about where housing should be located in their community and the housing types that should be built. The forum provided a series of interactive maps that helped citizens learn about where this new housing could potentially be built – and gave folks a chance to look at different types of housing that could go there, and then select the option they like best for that specific community.

The results of the e-Town Hall input were then presented and discussed at a public joint-meeting with the City Council and Planning Commission on February 3 and February 5, 2015.

State housing law requires that cities' housing elements be updated at least once every five years. Further, the elements for all cities in San Diego County were required to be reviewed and updated as appropriate in 1991, an analysis of housing activity within the Coastal Zone, as detailed under Gov. Code Secs. 65588 and 65590. The City conducts its 1991 review of the Housing Element with results reported to State HCD. That review determined a need to amend the Element to explicitly address "units at risk." The 1991 review also monitored City success in implementing Housing Element programs, and the efficacy to date

of Element policies. The City will continue to conduct annual reviews of the 1990 Element, with results reported to the City's Planning Commission, City Council, and a newly formed (1992) City Housing Commission.

This Housing Element was initially prepared for the 2005-2010 planning period (extended through 2012 by legislation from June 30, 2010). During this planning period, the City initiated a comprehensive update to the City's General Plan, including an evaluation of the City's land use and housing policies and affecting residential capacity in the community. Due to the timing and public concerns related to the initial draft General Plan Update, as well as the status of the 2005-2010 Housing Element, this Housing Element has been revised to address the 2013-2021 planning period. While this Housing Element covers an eight-year planning period, Government Code Section 65588(e) requires the City to conduct an update by April 30, 2017 (four years) and again at the end of the eight-year planning period.

HOUSING ELEMENT GOALS AND POLICIES

This section of the Housing Element contains the goals and policies the City intends to implement to address a number of important housing-related issues. The following three major issue areas are addressed by the goals and policies of the Housing Element: ensure that a broad range of housing types are provided to meet the needs of both existing and future residents; ensure that housing is both sound and safe for occupants; and ensure that the existing housing stock is maintained and preserved. Each issue area and the supporting goals and policies are identified and discussed in the following section. In addition, housing programs ~~that~~ which implement each goal and policy are ~~noted in brackets after each goal/policy statement. These are referenced by the designator (I a, III b, etc.) for each program in the "Housing Program Description" section of the Element summarized in a table located at the end of this section.~~

Housing Opportunities: The City wants to encourage the construction of new housing units that offer a wide range of housing types to ensure that an adequate supply is available to meet existing and future needs. The maintenance of a balanced inventory of housing in terms of unit type (e.g. single-family, multiple-family, etc.), cost, and style will ensure that the existing variety is maintained. Each of the five communities have a distinct character due in large part to the nature of their existing residential neighborhoods. New housing constructed in the City should reflect the character of the surrounding neighborhood in particular and the community in general.

GOAL 1: THE CITY WILL ENCOURAGE THE PROVISION OF A WIDE RANGE OF HOUSING BY LOCATION, TYPE OF UNIT, AND PRICE TO MEET THE EXISTING AND FUTURE HOUSING NEEDS IN THE REGION AND CITY.

POLICY 1.1: Strive to maintain a balance of housing types in the City.

POLICY 1.2: Strive to provide a wide variety of housing types so that a range of housing needs and tastes will be made available to existing and future residents.

POLICY 1.3: When existing residential units are replaced, they should be replaced with units that are compatible in design with the surrounding residential neighborhood as planned by the City.

POLICY 1.4: Require that housing constructed expressly for low and moderate income households should not be concentrated in any single community or single area of the City and that such housing should be high quality in terms of design and construction without sacrificing affordability.

POLICY 1.5: If a diminishing inventory of rental housing creates an imbalance, the City should make every effort to preserve the existing stock of quality rental housing by discouraging apartment conversions to condominiums.

POLICY 1.6: Encourage retention of all existing, viable mobile home parks through use of a ~~mobilehome/trailer park overlay zone~~, a permanent mobilehome park zone, and the application of incentives.

~~POLICY 1.7: The City should investigate alternative methods of reducing the cost of housing through the development of self-help housing programs.~~

~~POLICY 1.78: Coordinate with local social service providers to address the needs of the City's homeless population. Initiate an amendment of the Zoning Ordinance to permit transitional housing/emergency shelters under appropriate zones and/or at specified locations.~~

Quality of Housing: New housing opportunities in the City must be made available to all persons. The diverse makeup of the City with its five distinct communities will continue to attract a wide variety of people. The City has made a strong and firm commitment that fair housing practices will continue in Encinitas.

GOAL 2: SOUND HOUSING WILL BE PROVIDED IN THE CITY OF ENCINITAS FOR ALL PERSONS CONSISTENT WITH STATE AND FEDERAL FAIR HOUSING LAWS. REGARDLESS OF AGE, FAMILY STATUS, INCOME LEVEL, RACE, OR ETHNICITY

POLICY 2.1: Make every reasonable effort to ensure that the provisions of the Federal and State laws that prohibit housing discrimination ~~on the basis of age, sex, and race are enforced.~~

POLICY 2.2: Support ongoing efforts of the State and Federal agencies ~~County~~ in enforcing "fair-housing" laws, as well as regional efforts in promoting fair housing.

POLICY 2.3: Encourage developers to provide balance of housing opportunities.

Maintenance and Preservation of Housing: Substandard and deteriorating housing units, in addition to the obvious problems of blight, can expose occupants to a wide range of hazards ranging from electrical fire to exposure to toxic substances used in construction. Many factors can determine the "life expectancy" of a dwelling including quality of workmanship, age, type of construction, location, and numerous other factors. A major focus of this Housing Element is to provide goals and policies which

underscore the City's commitment to ensure that the existing housing stock in the five communities is maintained.

GOAL 3: THE CITY WILL ENCOURAGE THE MAINTENANCE AND PRESERVATION OF THE EXISTING HOUSING STOCK AS WELL AS QUALITY WORKMANSHIP IN NEW HOUSING.

POLICY 3.1: Where determined to be dangerous to the public health and safety, substandard units in the City shall be repaired so that they will comply with the applicable building, safety and housing codes. When compliance through repair is not or cannot be achieved, abatement of substandard units shall be achieved.

POLICY 3.2: Enforce the building, safety and housing codes through vigorous code enforcement efforts.

POLICY 3.3: Continue to apply and support existing housing programs administered by the County which provide housing assistance. These include assistance to property owners that can demonstrate financial need in the upgrading of their substandard units. Aggressively pursue the application of existing County programs for housing rehabilitation, and investigate and apply available additional funding.

POLICY 3.4: Continue to assess development fees on new residential units adequate to pay for all related local and regional impacts on public facilities.

~~POLICY 3.5: Investigate the application of new housing assistance, construction and rehabilitation programs which may be financed if the City establishes a redevelopment project.~~

POLICY 3.6: Allow for some cluster-type housing and other innovative housing design that provides adequate open areas around and within these developments.

POLICY 3.7: Coordinate the provision of open areas in adjoining residential developments to maximize the benefit of the open space.

POLICY 3.8: Adapt residential development to the terrain.

POLICY 3.9: Encourage street planting, landscaping, and undergrounding of utilities.

POLICY 3.10: Encourage high standards of design, materials, and workmanship in all construction and developments.

POLICY 3.11: Discourage residential development of steep slopes, canyons, and flood plains.

POLICY 3.12: Develop and implement design review criteria which will also include the issue of view blockage.

POLICY 3.13: Cost effective energy-efficient housing, including the use of passive systems, will be encouraged within the City to decrease energy use.

Housing Conservation: The City’s existing housing stock includes units which are affordable to very low, low, and moderate income households. A significant part of the City housing focus is on these existing affordable units, and how to ensure or encourage their continued affordability. Of particular concern are projects which were government-subsidized when built, in return for units being rent-restricted to be affordable. With passage of time, many such guaranteed-affordable units are subject to being converted to market-rate rental units by the expiration of pre-payment of the government subsidy arrangement. Responding to this, in 1991 State law required that local housing elements address the status of these “units at risk.” The City is committed to doing what it can so that guaranteed-affordable units remain affordable to target-income households.

GOAL 4: THE CITY WILL ENCOURAGE THE CONTINUED AFFORDABILITY OF GUARANTEED-AFFORDABLE UNITS.

POLICY 4.1: The City will undertake a program to pursue the renewed affordability of ~~30 federal Section 236~~ guaranteed affordable units at risk of conversion to market rate units due to expiration of use restrictions, affordability covenants, and funding subsidies. ~~, including the full application of restrictions and incentives under the federal 1990 Low Income Housing Preservation and Resident Homeownership Act.~~

POLICY 4.2: ~~The City will undertake a program to pursue the renewed affordability of 36 guaranteed affordable density bonus "units at risk" of conversion to market rate units, including but not limited to potential application of Section 8 tenant-based project assistance; "HOME" funds; and other possible strategies.~~

The Land Use Element sets forth the amount and type of residential development permitted under the General Plan, thereby affecting housing opportunity in Encinitas. In addition, the Land Use Element contains policies directed at maintaining the existing housing stock, as well as ensuring the quality of new residential development. The Circulation Element contains policies to minimize roadway traffic into residential neighborhoods, and the Noise Element sets forth policies to minimize the level of noise in neighborhoods. The Resource Management Element establishes development standards to minimize the impact of residential development on sensitive resources, such as hillside areas, ecological habitat, and scenic viewsheds. Finally, the Public Safety Element sets forth policies to ensure the safety of the City’s housing stock through such measures as code enforcement, and mitigation of environmental hazard as a condition to development.

Table 23-1: Housing Policy Matrix depicts General Plan elements that support the goals of the Housing Element.

TABLE 3-1 HOUSING POLICY MATRIX

While each of the elements is independent, the elements are also interrelated. Certain goals and policies of each element may also address issues that are primary subjects of other elements. This integration of

issues throughout the General Plan creates a strong basis for the implementation of plans and programs and achievement of community goals.

The City will ensure internal consistency among the various elements in accordance with state planning law. This Housing Element builds upon other General Plan elements and, after making concurrent amendment to the Land Use Element, is entirely consistent with the policies and proposals set forth by the General Plan. When an element in the General Plan is amended, the Housing Element will be reviewed and modified if necessary to ensure continued consistency among the various elements.

Programs and Housing Plan

The ensuing portions of the Housing Element include of “Programs” and “Housing Plan” (i.e. technical background) information. Because the entirety of these sections are being replaced with new text, it is not provided herein as underscored, but it should be viewed as new text. Please refer to Section 1 of this document.