



Item No. 4 Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

**TO: HONORABLE MAYOR AND CITY COUNCIL
CHAIR AND MEMBERS OF THE PLANNING COMMISSION**

THROUGH: GEORGE RODERICKS, CITY MANAGER

FROM: LISA COSTA SANDERS, TOWN PLANNER

DATE: JULY 27, 2022

**SUBJECT: DISCUSS HOUSING ELEMENT UPDATE AND AUTHORIZE STAFF TO
TRANSMIT TO HCD**

RECOMMENDATION

Review the Draft Housing Element update and authorize staff to transmit to HCD for its preliminary review.

BACKGROUND

All California cities and counties are required to accommodate their fair share of regional housing need in its General Plan. The next Housing Element cycle covers the period of 2023 through 2031 and is required to be certified by the State by January 1, 2023.

The [Final RHNA for the Bay Area \(https://abag.ca.gov/sites/default/files/documents/2021-12/Final_RHNA_Allocation_Report_2023-2031-approved_0.pdf\)](https://abag.ca.gov/sites/default/files/documents/2021-12/Final_RHNA_Allocation_Report_2023-2031-approved_0.pdf) was adopted by the Association of Bay Area Governments (ABAG) Executive Board on December 16, 2021. The Town's allocation for the period of 2023-2031 is as follows:

Income Level	Housing Units
Very Low (less than 50% of area median income) Max income of \$63,950 for single person to \$91,350 for family of 4	94
Low (50% - 80% of area median income) Max income of \$102,450 for single person to \$146,350 for family of 4	54
Moderate (80-120% of area median income) Max income of \$125,640 for single person to \$179,520 for family of 4	56
Above Moderate (more than 120% of area median income) Market rate housing	144

Total	348
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The City Council held a joint session with the Planning Commission on April 28, 2021 to discuss the Housing Element process and provide direction to staff on potential strategies to consider. The City Council, at its January 12, 2022, February 24, 2022 and March 16, 2022 meetings received update reports from Staff on the initial housing strategies and provided direction to staff. The Town hosted a Community Open House on April 26, 2022 from 5:00 p.m. until 7:00 p.m. at the Holbrook Palmer Park Pavilion to discuss potential strategies with the community and receive input. The City Council met on May 18, 2022 to refine the housing strategies and again on May 24, 2022 to provide additional direction on site selection.

The Draft Housing Element was released on June 10, 2022 for a 30-day public review and comment period. The Draft Housing Element is available on the Town's website: <https://www.ci.atherton.ca.us/DocumentCenter/View/10417/Atherton-Draft-Housing-Element-Complete-6-9-2022>. Over 300 comments have been submitted on the Draft Housing Element.

The City Council, at its July 20, 2022 meeting reviewed the public comments received and provided direction to staff to revise the Draft Housing Element. Staff has revised the Draft Housing Element, posted the revised document on the Town's website on July 22, 2022 and sent notification to all persons that provided a written comment of the availability of the revised document. The purpose of this meeting is for the City Council to review the revised document and authorize staff transmit the revised Housing Element to HCD for its 90-day preliminary review and comment period.

ANALYSIS

The Town's Housing Element is required to plan for the development of 348 new housing units over the next eight years. The draft Housing Element initially included the following programs to achieve new housing production; accessory dwelling units, SB 9 related lot splits and development, existing vacant parcel development, a multi-family overlay zone, and school and facility site development. Based on overwhelming community comments opposed to the multifamily overlay program, the City Council directed this program be removed entirely from the draft Housing Element. Also based on community feedback, the Council directed staff modify the proposed PFS zone changes to retain the existing zoning provisions that currently allow faculty housing on the campuses with a CUP. Staff also incorporated suggested revisions from the Housing Leadership Council and other minor text edits per Council feedback.

The Town emailed and mailed notification of the availability of the revised Draft Housing Element and notification of this special City Council meeting to all persons that provided written comments. The revised Draft Housing Element was posted on the Town's website on July 22, 2022.

NEXT STEPS

Draft Housing Element Update

July 27, 2022

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If authorized by the City Council, staff will transmit the revised Draft Housing Element to HCD for its 90 day review and comment period.

While HCD is conducting its 90-day initial review of the revised Draft Housing Element, Staff plans to retain a consultant to continue public outreach and assist the Town in identifying additional programs to achieve compliance with State law. This expanded effort will commence in September.

Staff will revise the Draft Housing Element to incorporate HCD comments for consideration by the Planning Commission and adoption by the City Council in November/December 2022. The Housing Element is required to be certified by HCD by January 15, 2023.

Failure to obtain a certified Housing Element by that deadline can result in penalties and an accelerated timeline for housing and land use compliance actions.

PUBLIC NOTICE

Public notification was achieved by posting the City Council agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power and sewer), and regional elected officials.

ATTACHMENTS

- Draft Housing Element Link:
https://www.ci.atherton.ca.us/DocumentCenter/View/10587/Atherton-Draft-Housing-Element_Complete_7_22_2022
- Town Housing Element Update Website Link:
 - <https://www.ci.atherton.ca.us/627/Housing-Element-Update>