



# *Camarillo City Council*

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## **AGENDA REPORT**

Date: September 29, 2021

To: Honorable Mayor and City Councilmembers

From: Greg Ramirez, City Manager

Submitted by: Joe Vacca, Community Development Director

Subject: Final Draft 2021-2029 Housing Element Update and Negative Declaration 2021-9 – Authorize staff to submit to the California Department of Housing and Community Development

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## **BACKGROUND**

Pursuant to the State housing law, the City is updating its Housing Element. The City Council is requested to review the City's final draft 2021-2029 Housing Element Update and a Negative Declaration (ND) 2021-9, open a public hearing, accept public input, and take action regarding the approval and adoption of the final draft 2021-2029 Housing Element Update and ND 2021-9.

## **DISCUSSION**

### Public Notice

A Notice of Public Hearing has been advertised for the City Council public hearing of September 29, 2021, with postcards mailed and notices e-mailed to the interested parties and stakeholders. Notices were posted at Camarillo City Hall, as well as on the City's website ([www.cityofcamarillo.org](http://www.cityofcamarillo.org)), and published in Camarillo Acorn newspaper. In addition, the public hearing was advertised on the Government Channel, marquee sign at the Constitution Park, Facebook post, and the City of Camarillo website calendar.

### Environmental Review

An Initial Study was prepared for the Project in accordance with the provisions of the California Environmental Guidelines and the City of Camarillo Environmental Guidelines to evaluate the potential for adverse environmental impact. Based on the findings of the Initial Study, it has been determined that the project would not have a significant effect on the environment, and a Negative Declaration has been prepared. Negative Declaration (ND 2021-9) was available for review from July 23, 2021, through August 22, 2021, at the City Hall, Camarillo Public Library, and on the City and project websites.

During the review period, the City received two written comments. The first comment is from the Ventura County Watershed Protection District stating that future residential projects will need to comply with their standards. The second comment is from the Santa Ynez Band of Chumash Indians stating that no further consultation is required. The comments and responses are attached as Appendix B to the ND 2021-9.

During the ND 2021-9 review period, staff revised eight of the Housing Element programs, and added four new programs to address the California Department of Housing and Community Development (HCD) findings. However, based on the public comments received and these policy revisions required by HCD, there was not a requirement for the City to revise or to re-circulate the ND 2021-9. Further CEQA analysis will be conducted when the policies are implemented and when residential projects are proposed.

### Summary

The 2021-2029 Housing Element Update consists of a comprehensive update to the Housing Element of the City of Camarillo General Plan. State law requires that Housing Elements be updated every eight years (California Government Code Sections 65580 to 65589.8). For Camarillo, the eight-year planning period will run from October 15, 2021, through October 15, 2029. To remain on an eight-year planning cycle, the City must adopt its Housing Element by the statutory due date of October 15, 2021.

The final draft Housing Element Update identifies residentially zoned sites adequate to accommodate a variety of housing types for all income levels and needs of special population groups, defined under State law (California Government Code Section 65583). It analyzes governmental constraints to housing maintenance, improvement, and development; addresses conservation and improvement of the condition of existing affordable housing stock; and outlines policies that promote housing opportunities for all persons. The City's Housing Element was last updated in 2014.

### Housing Element Update Process

The Housing Element Update process includes a robust Community Participation Plan, as reflected in the attached Planning Commission agenda report, to encourage community input throughout the duration of the project. The draft Housing Element and all appendices continue to be available on the project website and at City Hall for public review and comments, through the duration of the update process.

The draft 2021-2029 Housing Element Update was prepared and presented at the Planning Commission and the City Council public hearings of May 4, 2021, and May 26, 2021, respectively. On May 28, 2021, staff submitted the draft element to HCD for a 60-day preliminary review for compliance with the State housing law. The submittal of the Affirmatively Furthering Fair Housing (AFFH) analysis (included as Appendix C to the final draft 2021-2029 Housing Element) followed on June 21, 2021 after being made available for public review.

On July 13, 2021, HCD provided comments to staff by teleconference, followed by a formal HCD findings letter dated July 27, 2021. The letter outlined the necessary revisions to the Element to comply with the State Housing Element law. Staff worked with the

consultant team, Rincon, Inc. and Veronica Tam and Associates, to address HCD comments, and presented the final draft Housing Element Update at a public hearing before the Planning Commission special meeting of August 31, 2021.

#### HCD Findings

HCD's comments indicated that while the draft Housing Element addressed many statutory requirements, additional analysis and program revisions were necessary to comply with State Housing Element Law.

Each HCD finding and revisions to the draft element are described in the attached Planning Commission agenda report. Please note that the page numbers listed in the Planning Commission agenda report identifying where in the element revisions have been made, may not correspond to the final revised draft of the Housing Element.

Also, a redline version of the draft element showing the changes is attached to this agenda report. The following paragraphs summarize the revisions to the Housing Element programs, as required by the HCD findings letter.

#### Revisions to the Housing Element Programs since May 26, 2021 Public Hearing

The draft 2021-2029 Housing Element Update presented to the City Council on May 26, 2021 included 17 programs. As a result of the HCD findings letter, staff was required to revise eight programs and add four new programs to address the comments received. No revisions were necessary to nine of the programs. A summary of the revisions are included below.

HCD requires the City to add specific timeframes for implementation of the following Housing Element programs. Staff revised these programs as follows:

- PROGRAM 13 - SEEK GRANT FUNDING TO SUPPORT AFFORDABLE HOUSING ACTIVITIES
  - Revised timeframe to "Annually, as NOFAs become available" (revised to comply with Gov. Code § 65583(c)).
- PROGRAM 15 - HOUSING POLICIES
  - Revised timeframe to "Within three years of the housing element adoption" (revised to comply with Gov. Code § 65583(c)).
- PROGRAM 17 - HOMELESS STRATEGIC PLAN
  - Revised timeframe to "Within four years of the housing element adoption" (revised to comply with Gov. Code § 65583(c)).

HCD requires the City to provide additional information and expand on the following Housing Element programs. Staff revised these programs as follows:

- PROGRAM 2 - AFFORDABLE HOUSING BONUS POINTS UNDER RESIDENTIAL DEVELOPMENT CONTROL SYSTEM
  - Revised to state that the pending SB 8, if passed, will extend the Residential Development Control System through 2030. It is currently suspended through 2025 per SB 330 (revised to comply with Gov. Code § 65583(c)(3)).
- PROGRAM 3 - ACCESSORY DWELLING UNITS (ADU)
  - Revised to specify how the City will promote ADUs, and commit to amending the ADU ordinance to address HCD comments in the City's recent ADU ordinance amendment. The amendments will clarify that the City allows ADUs in all zones that allow residential uses, and remove the requirement for homeowners to annually certify occupancy of either the primary dwelling or the junior ADU. The homeowner will continue to be required to occupy either the primary dwelling or the junior ADU, but the annual certification of occupancy will no longer be required (revised to comply with Gov. Code § 65583(c)(3 and 7)).
- PROGRAM 4 - FAIR HOUSING PRACTICES
  - Revised to reflect Affirmatively Furthering Fair Housing (AFFH) analysis and meaningful actions included in Appendix C (revised to comply with Gov. Code § 65583(c)(5)).
- PROGRAM 10 - ADEQUATE SITES
  - Revised to commit to monitoring the land inventory to ensure "No Net Loss" of units if a residential project is approved below the allowable density on a site that is included in the land inventory. If this occurs, the City will need to ensure that the land inventory still provides adequate capacity to meet its Regional Housing Needs Assessment (RHNA) allocation. Staff does not anticipate adequate capacity issues because the land inventory demonstrates that the City can accommodate an additional 524 units (92 very low/low, 277 moderate, and 155 above moderate-income) more than required by the RHNA allocation (revised to comply with Gov. Code § 65863).

- PROGRAM 16 - ZONING ORDINANCE AMENDMENTS
  - Revised to commit to review and analyze the City's Single Room Occupancy (SRO) regulations, and work with HCD if any revisions are necessary.

HCD requires the City to add new Housing Element programs. Staff drafted the following new programs in response to HCD's comments:

- PROGRAM 18: City-Initiated Affordable Housing Projects
  - The program commits the City to process two City-initiated affordable housing projects, Barry Street/Former Stock Lumber site and Arneill Road Mixed-Use site, in order to count them as low-income sites in the land inventory (Gov. Code § 65583(a)(3)).
- PROGRAM 19: Promote Energy Conservation
  - The program commits the City to distribute information on energy conservation options at the Community Development public counter, on the City website, social media, and direct mailing promoting energy conservation (Gov. Code § 65583(a)(8)).
- PROGRAM 20: Affordable Housing Preservation (Rental Units)
  - The program commits the City to contacting local non-profit housing agencies to assess their interest in acquiring and managing at-risk properties, and support their applications for financing programs such as Low Income Housing Tax Credit (LIHTC) to purchase at-risk units. The affordable rental units identified as at-risk of conversion to market rate will be monitored to ensure tenants receive proper notifications. The intent of the program is to minimize the number of at-risk renter-occupied affordable units from converting to market-rate (Gov. Code § 65583(c)(6)).
- PROGRAM 21: By-Right Affordable Housing Projects
  - The program commits the City to developing a program to allow by-right approval for residential projects on two vacant sites (Village at the Park) and 14 non vacant sites (Camarillo Commons), that include 20 percent or more of its units affordable to lower-income households. These projects can include additional affordable units (in addition to 20 percent) if the developer requests concessions and waivers of development standards through the City's Density Bonus Ordinance (Gov. Code § 65583.2(c)).

### Planning Commission Recommendation

The Planning Commission public hearing was held at their special meeting on August 31, 2021. The Planning Commission received a presentation by project consultant, Rincon, Inc., and opened the public hearing. Two written comments (attached) and one verbal comment were received. Staff responded to comments, but no revision to the Element was required. A summary of comments and staff responses are provided below.

#### *Written comment #1:*

Linda Braunschweiger, House Farmworkers!, letter suggested that the City's public hearing notices include a title in both, English and Spanish, and move the sentence about assistance to Spanish speakers to the top of the notice instead of the bottom.

- Staff included the comment in the record and is reviewing its public noticing procedure, taking the comment under advisement.

Linda Branschweiger, House Farmworkers!, letter suggested that when the City considers future revisions to the Inclusionary Housing Policy, the City will focus on increasing its effectiveness in creating rental and ownership housing opportunities.

- Staff included the comment in the record for reference when the City considers future revisions to the Inclusionary Housing Policy.

#### *Written comment #2:*

Residents of Camarillo Mobile Home Estates letter provided information on their neighborhood, raised health and safety concerns related to recurring sewage back up and lack of maintenance of aging infrastructure, issues regarding high rental costs for mobile home spaces and displacement of residents. The letter also included suggestions for improving the City's Housing Resource Guide.

- Staff included the letter in the record and responded at the public hearing that the issues are site specific, and staff will work with the community to help address their concerns.

#### *Verbal comment #1:*

On behalf of the Camarillo Mobile Home Estates residents, a representative reiterated the issues outlined in the written comment #2.

Planning Commission discussed the Element and the Negative Declaration, asked staff clarifying questions, and commented on the thoroughness and completeness of the document. Chairman Talmadge requested as part of his recommendation that the Negative Declaration include a brief discussion of the current construction of the desalter plant as an additional water source and include that the City's water conservation measures are enforced to address drought conditions. Negative Declaration was revised

accordingly. The Planning Commission did not request any other revisions to the Element or the Negative Declaration.

At the conclusion of the public hearing and after considering all testimony and information presented at the hearing, the Planning Commission voted unanimously (5-0) to recommend to the City Council approval of ND 2021-9 and approval of 2021-2029 Housing Element Update.

#### Statutory Deadline

The statutory deadline for the City to adopt the 2021-2029 Housing Element Update is October 15, 2021. If the City adopts the Housing Element by this date, it will remain in the 8-year Housing Element cycle.

If this deadline is not met, the Housing Element could be considered out of compliance and could become subject to a 4-year Housing Element cycle. This would require two Housing Element updates versus one, which would require double the work and cost for completion. Other consequences include the potential loss of various State grant funding and disqualification from applying for and receiving State grants.

#### Next Steps

After this City Council public hearing, staff will work with the consultant team (Rincon, Inc. and Veronica Tam and Associates) to incorporate any public and City Council comments into the final 2021-2029 Housing Element Update and submit it to HCD for a 90-day review for compliance with the State Housing Element Law.

If HCD determines that the Housing Element needs additional analysis and revisions to comply with the State Housing Element Law, staff will revise and may bring the element for re-adoption at future public hearings, if needed.

Once HCD certifies that the Housing Element complies with the State Housing Element Law, the City's 2021-2029 Housing Element Update will be complete.

#### **FISCAL IMPACT**

There is no budget impact as a result of this action.

#### **RECOMMENDATION**

1. A MOTION to adopt a resolution adopting the Negative Declaration (ND) 2021-9.
2. A MOTION to adopt a resolution adopting the 2021-2029 Housing Element Update.

#### **ATTACHMENTS**

1. Resolution – Negative Declaration 2021-9
2. Resolution – 2021-2029 Housing Element Update
3. Planning Commission agenda report, dated August 31, 2021
4. Written public comments received on August 31, 2021
5. Final Draft 2021-2029 Housing Element Update – clean version
6. Final Draft 2021-2029 Housing Element Update – redline version

7. HCD's findings letter, dated July 27, 2021

8. Public hearing notice

**REFERENCE MATERIALS – AVAILABLE FOR REVIEW AT CITY HALL**

None