

# City Council Special Meeting Housing Policy Workshop

July 10, 2024



**CITY**<sup>OF</sup> **SAN PABLO**

*City of New Directions*

# AGENDA

1. Introduction
2. Overview and Accomplishments
  - Development Activity
3. Housing Element Introduction
  - Certification
  - RHNA Progress
4. Housing Action Plan
5. Related Actions
  - Affordable Housing Strategy
  - SPLASH
  - Rent Registry
  - Rent Stabilization Implementation and Feasibility Study
6. Next Steps
  - BAHFA
  - Omnibus Code Clean-Up
  - Tenant Protections
  - Council Priority Workplan Amendment (FY 2024-2026)

# HOUSING PRODUCTION ACCOMPLISHMENTS

1. 13831 San Pablo Avenue  
Alvarado Gardens



2. 2812 Chattleton Lane  
Chattleton Place Townhomes



3. 2555 El Portal Avenue  
Permanent supportive housing





Block C, 91 apartment units with ground floor commercial



2364 Road 20, 64 unit apartment



2432-2442 22<sup>nd</sup> 8 units



1982-1988 23<sup>rd</sup> St, 7 units



# GENERAL PLAN AND HOUSING ELEMENT UPDATE

- ❖ Adopted by City Council on March 18, 2024:
  - Housing Element Update
  - Environmental Justice Element
  - Safety and Noise Element Update
  - Environmental Review under CEQA
- ❖ San Pablo's Housing Element Received HCD Certification on May 20, 2024
- ❖ Covers period of 2023-2031, 6<sup>th</sup> Cycle



# WHAT IS RHNA?

- RHNA = Regional Housing Needs Allocation
- Total number of new housing units that City must plan to accommodate for 2023 – 2031 cycle
- Separated into four affordability levels:
  - Very Low < 50% area median income (AMI)
  - Low 50 – 80% AMI
  - Moderate 80 – 120% AMI
  - Above Moderate > 120% AMI



# RHNA SUMMARY; 2015-2023 5<sup>TH</sup> CYCLE NUMBERS

**Table B**

**Regional Housing Needs Allocation Progress  
Permitted Units Issued by Affordability**

		1	2										3	4
Income Level		RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)	Total Remaining RHNA by Income Level	
Very Low	Deed Restricted	56	-	-	-	-	-	-	-	54	-	54	2	
	Non-Deed Restricted	-	-	-	-	-	-	-	-	-	-	-	-	
Low	Deed Restricted	53	-	2	-	1	-	-	-	-	-	14	39	
	Non-Deed Restricted	-	-	-	1	-	3	5	2	-	-	-	-	
Moderate	Deed Restricted	75	-	-	-	-	-	-	-	-	-	52	23	
	Non-Deed Restricted	-	1	5	7	-	6	12	14	7	-	-	-	
Above Moderate		265	-	29	-	-	2	1	4	6	2	44	221	
<b>Total RHNA</b>		<b>449</b>	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Units</b>		-	30	7	7	4	7	19	25	65	-	164	285	
<b>Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).</b>														
		5											6	7
		Extremely low- Income Need	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date	Total Units Remaining	
Extremely Low-Income Units*		28	-	-	-	-	-	-	-	54	-	54	-	

## 2023-31 RHNA SHARE

RHNA Category	AMI	Needed Units	% Needed Units
Very-Low-Income	0-50%	173	23.2%
Low-Income	51-80%	100	13.4%
Moderate-Income	81-120%	132	17.7%
Above-Moderate-Income	(>120%	341	45.7%
<b>Total</b>		<b>746</b>	<b>100.0%</b>

# RHNA SUMMARY; 2023-2031 6<sup>TH</sup> CYCLE NUMBERS

Table B																						
Regional Housing Needs Allocation Progress																						
Permitted Units Issued by Affordability																						
		1	Projection Period - 06/30/2022-01/30/2023		2							3	4									
Income Level		RHNA Allocation by Income Level	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Units to Date (all years)	Total Remaining RHNA by Income Level									
Very Low	Deed Restricted	173	54	-	-	-	-	-	-	-	-	54	119									
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-											
Low	Deed Restricted	100	-	50	-	-	-	-	-	-	-	54	46									
	Non-Deed Restricted		1	3	-	-	-	-	-	-	-											
Moderate	Deed Restricted	132	-	-	-	-	-	-	-	-	-	17	115									
	Non-Deed Restricted		4	13	-	-	-	-	-	-	-											
Above Moderate		341	2	10	-	-	-	-	-	-	-	12	329									
Total RHNA		746																				
Total Units			61	76	-	-	-	-	-	-	-	137	609									
Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).																						
		5	2023		2024		2025		2026		2027		2028		2029		2030		2031		6	7
		Extremely low-Income Need	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Units to Date	Total Units Remaining									
Extremely Low-Income Units*		87	-	-	-	-	-	-	-	-	-	-	87									

- ❖ Total Regional Housing Needs Allocation for San Pablo for the new 2023-2031 cycle is **746 net new units, compared to the 449 units for the last cycle**
- ❖ For the year 2023, San Pablo permitted a total of **76 net new units** (up from 11 in the prior year)
- ❖ **609** units remain to be completed by 2031, most in Above Moderate category

# Housing Element Housing Action Plan

# HOUSING ACTION PLAN

- **Goal#1: Increase housing supply** and facilitate production of at least 800 new homes by 2031
- **Goal#2: Take action to address affordability and housing security** for all income groups and family types in San Pablo
- **Goal#3: Equal housing opportunity** for all residents of San Pablo, regardless of race, religion, sex, marital status, ancestry, national origin, color, or handicap
- **Goal#4: Enhanced quality** of existing **residential neighborhoods** in San Pablo, through maintenance and preservation, while minimizing displacement impacts
- **Goal#5: Proactive energy conservation and waste reduction** activities in all residential neighborhoods
- **Goal#6: Strengthen local government institutional capacity**, provide information to the community **and monitor accomplishments** to respond effectively to housing needs

# HOUSING ACTION PLAN – OMNIBUS CODE CLEAN UP

- 2-F Mobile Home Park Conversion
- 3-B Emergency Shelters
- 3-C Employee Housing
- 3-D Zoning for Residential Care Facilities
- 3-E Transitional and Supportive Housing
- 3-J Low-Barrier Navigation Centers
- 3-K Density Bonus
- 3-M Definition of Family



# GOAL #1: HOUSING SUPPLY

## GOAL

- Increase housing supply and facilitate production of at least 800 new homes by 2031

## PROGRAMS

- Adoption of Rumrill Corridor Plan, revision of 23<sup>rd</sup> Street Specific Plan
- Incentives for high density residential, "missing middle," and Accessory Dwelling Units (ADUs)
- Zoning amendments (ex: MFR parcel size, parking standards)
- Encourage innovative and 'non-traditional' forms of housing



# GOAL #2: AFFORDABILITY

## GOALS

- Take action to address affordability and housing security for all income groups and family types in San Pablo

## PROGRAMS

- Collaboration with Community Land Trust to increase affordable housing options and housing security
- Preservation of deed-restricted assisted housing
- Rental assistance and first-time homebuyer programs
- Home sharing and tenant matching
- Actions for housing security and special needs groups



# GOAL #3: EQUAL OPPORTUNITY

## GOALS

- Equal housing opportunity for all residents of San Pablo, regardless of race, religion, sex, marital status, ancestry, national origin, color, or handicap

## PROGRAMS

- Improve access to housing opportunity for most vulnerable
- Remove constraints to the development of emergency shelters, residential care facilities, and transitional/supportive housing
- Address fair housing issues (esp. evictions and landlord/tenant disputes) and raise awareness of rights



# GOAL #4: NEIGHBORHOOD PRESERVATION AND ENHANCEMENT

## GOALS

- Enhanced quality of existing residential neighborhoods in San Pablo, through maintenance and preservation, while minimizing displacement impacts

## PROGRAMS

- Low-interest loans for housing rehabilitation, deferred loans for property improvements
- Implementation of neighborhood clean-up, vehicle abatement, and neighborhood stabilization programs
- Continuing rental housing inspections and monitoring of housing stock; study feasibility of healthy homes
- Capital investments for neighborhood quality of life





# GOAL #5: SUSTAINABILITY AND HEALTH

## GOALS

- Proactive energy conservation and waste reduction activities in all residential neighborhoods

## PROGRAMS

- Promote of Energy Efficient Design
- Evaluate feasibility of offering green building incentives
- Encourage and facilitate environmentally sensitive construction practices





# GOAL #6: CAPACITY BUILDING

## GOALS

- Strengthen local government institutional capacity, provide information to the community and monitor accomplishments to respond effectively to housing needs

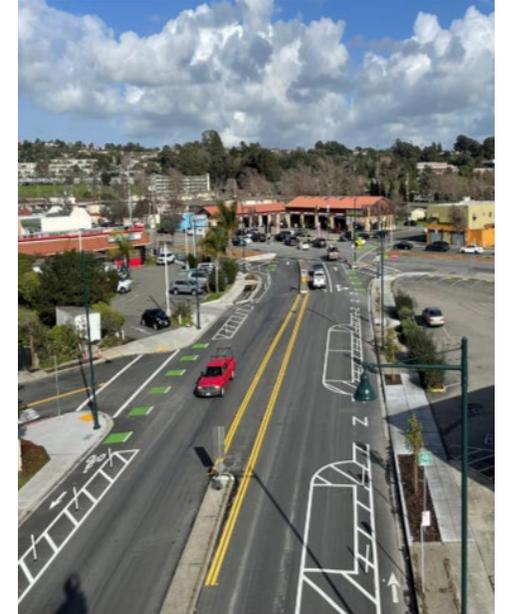
## PROGRAMS

- Establishing City staff work priorities
- Coordination with Contra Costa County for rental assistance, CDBG, rehabilitation program funding
- Community and neighborhood involvement in implementation
- Publicize and provide Information on Housing Programs



# HOUSING ACTION PLAN – KEY MOVES

- Complete **Rumrill Corridor Plan** and amend the **23rd Street Specific Plan**
- Provide incentives for **high density infill** and **missing middle** housing
- **Preserve** existing deed restricted affordable housing units
- Partner with a **community land trust**
- Continue robust **RH&S inspection program** to promote quality housing
- Continue **neighborhood clean up** and vehicle abatement programs



Rumrill Corridor



# AFFORDABLE HOUSING STRATEGY

- On November 16, 2020, the City Council adopted the Affordable Housing Strategy (AHS), a comprehensive, citywide document that lays out policies & strategies to increase new housing options, improve the quality of existing housing, and preserve long term housing affordability, particularly for lower income households, in San Pablo.
- The AHS includes a 10-year implementation plan.
- Implementation Plan is organized around seven core goals:

Goal A: Support New and Existing Homeowners
Goal B: Support and Protect Existing Tenants
Goal C: Improve Housing Quality & Safety
Goal D: Preserve Existing Affordable Housing
Goal E: Produce More Housing
Goal F: Prevent & Reduce Incidence of Homelessness
Goal G: Create New Affordable Housing Funding Sources

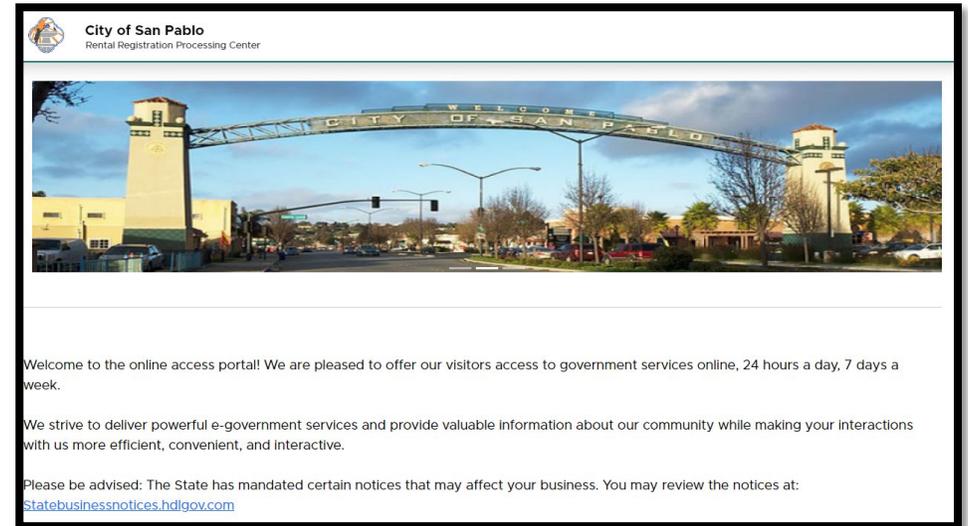
# SPLASH PROGRAM

- In 2021, the City partnered with the San Pablo Economic Development Corporation to launch the San Pablo Loan Assistance for Sustainable Housing (SPLASH) Program utilizing Low-Mod Housing Funds to provide loans to qualified low-income buyers.
- The SPLASH program offers “silent second loans” of up to 20 percent of the home value for a period of 30 years.
- As of June 2024, we have processed three (3) SPLASH loans.



# RENT REGISTRY

- The Rent Registry Ordinance was adopted on March 4, 2023.
- Requires property owners register rental information regarding residential rental properties with the City.
- With registration and renewals, rental unit information will be collected which includes: rental property information, Landlord information, rental unit tenancy changes, and other information deemed necessary.
- The rent registry will help collect data to identify future housing policy or market trends and rental housing supply needs. It will also help establish a comprehensive source of data on rental housing assets City-wide.
- The rent registry went into effect on **July 1, 2024.**



# RENT STABILIZATION IMPLEMENTATION AND FEASIBILITY STUDY

- In December 2023, a non-profit organization advancing the rights and interest of tenants in California – submitted a Notice of Intent to Circulate the *San Pablo Rent Stabilization and Tenant Protections Initiative* to the City of San Pablo.
- However, the Ballot Initiative did not qualify for the November 2024 election due to not collecting enough certified signatures.
- Upon recommendation of the Economic Development, Housing & Project Management Standing Committee in May 2024, the City retained RSG, Inc via City Manager budget authority to prepare an independent fiscal analysis of the Ordinance proposed by the Initiative.

## Findings:

- A Preliminary RSG Analysis analyzed the Ballot Initiative and Proposed Ordinance proposed by housing advocates, and compared it to established rent control programs in the Cities of Alameda, Berkeley, East Palo Alto, Hayward, and Richmond. A final report is due by end of July 2024 to the City.
- RSG indicates an estimated fiscal impact of the proposed Ordinance for a future Rent Stabilization Program would cost the City **up to \$1.21 million annually** in new City GF costs (this includes staffing, professional and administrative services, and supplies/outreach).
- RSG indicates **up to five (5) full-time staff members** would be required to administer a future Rent Stabilization Program.
- November 5, 2024 Ballot: **Proposition 33** – new State-wide measure to repeal the *Costa-Hawkins Rental Housing Act of 1995* will determine City's timeline in developing a new Rent Stabilization Program during FY 2024-25 period. If passed, all cities and counties would be required by State law to establish a functional Rent Stabilization Program.

***NOTE: Any future City Rent Stabilization Program must be cost-effective program with future budget allocation identified to administer an appropriate program given the City's budget constraints along with service demands for increased staffing resources already needed for our City's Code Enforcement Division and Residential Health and Safety Program to eliminate blight, nuisances and substandard rental housing. Requires further evaluation and study with recommendations from EDHPM Standing Committee, and future City Council approval (i.e. Future FY 2025 – 26 Two-Year GF Budget Amendment - TBD)***



# NEXT STEPS:

- Focus on Key Moves for Housing strategies
- Continue to monitor RHNA progress
- Complete omnibus code clean-up
- Complete targeted land use plan re-designations to promote housing

# PROPOSED TENANT PROTECTIONS

**Recommended by Economic Development, Housing & Project Management Standing Committee on May 7, 2024 (Ponce/Cruz)**

## **1. Just Cause Eviction Protections (3-G)**

California law AB1482 provides protection from steep rent increases and SB567 puts further requirements on no fault just cause evictions.

- City to explore adopting an ordinance codifying these protections under the San Pablo Municipal Code.

## **2. Awareness of Fair Housing Programs (3-H)**

Surveys indicate that San Pablo residents are largely unfamiliar with fair housing programs available to them.

- City to explore community education campaigns to raise awareness on state law and resources available.

## **3. Relocation Fund**

San Pablo Municipal Code 8.05.03 requires Owners to pay relocation benefits to displaced Tenants due to unsafe or hazardous living conditions.

San Pablo Municipal Code 8.05.080 state that in the event the Owner fails, neglects or refuses to pay the displaced Tenant, the City may, within budget limitations, make payment of such relocation benefits and recover it from the Owner.

- City to explore establishing a Tenant Relocation Fund for this purpose.

## **5. Temporary Housing Fund**

The City receives calls from residents that have been unhoused through no-fault of their own asking for temporary housing assistance.

- City to explore establishing a Temporary housing Relocation Fund to provide funding/temporary housing for qualified residents.

## **6. Landlord – Tenant Mediation Services**

The City receives calls for legal services for tenant disputes.

- City to explore working with a non-profit legal services provider to help provide mediation for landlord and tenant conflicts and disputes.
- City to create a Tenant page on the City website to link tenant resources.

# BAY AREA HOUSING FINANCE AUTHORITY (BAHFA)

- The Bay Area Housing Finance Authority (BAHFA) is a regional housing finance agency working to create a Bay Area where there is enough safe and affordable housing for all residents.
- In November 2024, a \$20 billion bond measure to build more affordable homes and help keep existing homes affordable will appear on the ballot.
- Close to \$2 billion will be reserved for Contra Costa County.
- The City should work to access these funds to help advance our Housing Action Plan after passage of the ballot measure.



# STAFF RECOMMENDATION:

- 1). Receive presentation; and
- 2). Provide direction to City staff; and Direct the City Manager to return to the City Council, with appropriate policy items for amending the FY 2023-25 City Council Priority Workplan for policy implementation.



