

**BUSINESS OF THE PLANNING COMMISSION
OF THE CITY OF HALF MOON BAY**

AGENDA REPORT

For meeting of:

TO: Honorable Chair and Planning Commissioners

FROM: Jill Ekas, Community Development Director
Michael Noce, Housing Coordinator

TITLE: Information Session – Housing Updates

RECOMMENDATION

Receive updates and take public comment regarding the following:

1. Housing Element public outreach and site inventory;
2. The status of the City-owned 555 Kelly Avenue affordable housing site.

BACKGROUND

Following certification of the Local Coastal Land Use Plan (LCLUP), the City's long-range planning efforts shifted to the Housing Element. City Council has also continued to prioritize affordable housing and has directed staff to support opportunities for development of affordable housing. The LCLUP includes numerous policies that promote the development of different types of housing. It also applies new and updated land use designations specifically intended to facilitate housing development, especially within the Town Center and through the new Workforce Housing Overlay land use designation. City's Council approved a workplan that has staff focused on housing policy and production opportunities consistent with the LCLUP.

For jurisdictions throughout the Bay Area, the Cycle 6 Housing Element will be due at the end of the calendar year. Staff has been working with consultants to prepare the draft Housing Element and its associated environmental review. Currently, the various sections of the document are in draft form and will continue to be in development while the economic analysis of the housing sites inventory is completed.

DISCUSSION

The purpose of this information session is to update the Planning Commission about the status of the Housing Element and to report out about the public outreach efforts and various housing development opportunities that will be included in the Housing Element Update.

Housing Element

Public Outreach: The community engagement program for the Housing Element included some sessions with the Planning Commission in addition to many other efforts to gather community

input. The San Mateo County 21 Elements group provided a comprehensive outreach program that included Half Moon Bay participants. City staff supported these efforts for city and coastside-related sessions. They also supported community education about housing through FAQs, webinars, and other materials for use by local jurisdictions.

The City conducted Half Moon Bay and coastside-centric community engagement sessions, including focus groups and interviews with service agencies and non-profit affordable housing developers. The draft Housing Element “Public Outreach” section is attached. It presents the entire outreach effort. A draft Appendix including detailed input gained through the City’s engagement efforts is also attached. The California Department of Housing and Community Development (HCD) will consider the key takeaways from the public outreach program and will consider if the input was adequately incorporated into Housing Element policies and programs. To that end, staff is currently working on updated and new Housing Element policies responsive to what was learned from public input. To support the Planning Commission’s role in the review process of the forthcoming draft Housing Element, Commissioners are encouraged to review this input carefully and use it for context when evaluating the draft policies.

Housing Sites: On November 9, 2021, City Council and Planning Commission hosted a joint Housing Work Session featuring numerous housing sites for inclusion in the Housing Element sites inventory. City Council provided general support for the proposed approach to the inventory. The inventory must cover the City’s Cycle 6 Regional Housing Need Allocation (RHNA) of 480 units, distributed across several affordable levels. Staff is working to complete the analysis of the sites inventory and is also ensuring that the inventory includes a 20% buffer as required by HCD. The buffer does not mean that development beyond the RHNA will ensue, but rather, indicates that the table is set for more units than required to account for the inevitability that development will not proceed for one or several of the sites during the Cycle 6 period from 2023-2031.

Unlike the Cycle 5 housing sites inventory, which emphasized hundreds of small neighborhood infill sites throughout the City, the Cycle 6 inventory focuses on several vacant and/or underdeveloped sites in the Town Center or on Workforce Housing Overlay sites. These sites were chosen based on LCLUP policy consistency, owner and/or developer interest, and the ability of the site to meet HCD’s criteria for qualifying sites. The site inventory will be comprised primarily of the sites presented at the November 9, 2021 Housing Work Session; however, build-out will be increased for several sites in public ownership because they offer the greatest opportunity to provide affordable housing. The site inventory will also include units from pipeline project (e.g. those that are already at some point of permit review) as well as over 100 accessory dwelling units (ADUs) based on recent development trends which have been robust in Half Moon Bay. The Planning Commission can expect to review a draft Cycle 6 sites inventory at a future meeting.

555 Kelly Avenue

555 Kelly Avenue is a City-owned property immediately south of the Ted Adcock Community Center. At the November 9, 2021 Housing Work Session, Council directed staff to pursue an

affordable housing development on that site. The City issued a request for qualifications (RFQ) for affordable housing developers on February 15, 2022. The RFQ closed on May 23, 2022. On July 19, 2022, City Council directed staff to proceed with a negotiation agreement and early design development with Mercy Housing in a partnership with ALAS. The Mercy Housing and ALAS team's proposal includes 40-units for very low- and extremely low-income farmworker households in a four-story building that would also include a farmworker resource center and numerous amenities.

This site will be included in the Housing Element site inventory. Because the 555 Kelly site was designated in LCLUP with the Workforce Housing Overlay land use designation, follow up zoning is pending, upon completion of the Housing Element.

Summary

This agenda item is intended to keep the Planning Commission updated about housing activities. It includes a special focus on the input received through community engagement efforts, which Planning Commissioners have participated in. Staff wants to make sure the Commission is fully prepared for the draft Housing Element when it is presented for the Commission's input. Staff will provide a detailed final schedule at a future meeting, and is currently working to complete the draft, which is planned for City Council adoption in early 2023.

ATTACHMENTS

1. Draft Housing Element, Community Outreach Summary
2. Draft Housing Element Appendix X, Local Community Outreach