



- CITY OF BIGGS -
PLANNING DEPARTMENT STAFF REPORT

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DATE: September 10, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Mark Sorensen, City Administrator
Scott Friend, AICP City Planner

SUBJECT: City of Biggs 2014-2022 Housing Element Update

Report Summary:

The Planning Department and City Administrator are seeking Council approval of a contract in the amount of \$28,400 for the preparation of a Housing Element Update as required by California Government Code Section 65583. Funding for this effort has been included in the City's FY2013-2014 budget. This report seeks authorization from the City Council to allow the City Administrator to enter into an agreement with PMC to prepare the required Housing Element update and authorize the Mayor to sign the agreement on behalf of the City.

Background / Discussion:

The Housing Element is one of the seven mandated elements of a local general plan. Housing Element law, enacted in 1969, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law acknowledges that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development. As a result, housing policy in the State rests largely upon the effective implementation of local general plans and, in particular, local housing elements.

Pursuant to Government Code Section 65583, localities are required to update their housing element. Based upon the adoption schedule established by the State Housing and Community Development Department (HCD), the City of Biggs' 5th Cycle Housing Element is required to be completed and submitted to the State for certification by June 14, 2014. The proposal presented with this report meets with the required adoption timeline.

A primary change to this Housing Element is the duration of the Planning period. Prior to this cycle, all Cities and Counties were required to update their Housing Element every five (5) years. With the recent adoption by BCAG of the Sustainable Communities Strategy (SCS) plan as part of the Counties regional transportation planning (RTP) document, the cities in Butte County now are allowed an additional three (3) years before the next Housing Element update is due. As such and upon completion of this effort, the City of Biggs' next Housing Element update (6th cycle) will not be due until June 15, 2022.

Fiscal Impact:

Staff is recommending approval of a contract with PMC in an amount not to exceed \$28,400. This amount represents the amount of money necessary to complete the update as outlined in the proposal from PMC and is inclusive of Optional Task 2, for the required CEQA compliance effort. Staff does not believe that Optional Task #1 (Housing Conditions Survey update) will be required by the State and thus authorization for those services has not been included with this recommendation.

Funds for this activity have been allocated in the City's Fiscal Year 2013-2014 budget.

Environmental Review:

Not applicable at this time.

Public Comment:

Not applicable at this time.

Staff Recommendation:

The City Administrator is recommending that the City Council direct the City Administrator to enter into an agreement with PMC to prepare the required update to the City's Housing Element pursuant to the proposal provided to the City by PMC dated August 20, 2013 and authorize the Mayor to sign the agreement on behalf of the City.

Attachments:

Attachment A - Housing Element Update Proposal from PMC dated August 20, 2013.



August 20, 2013

Mark Sorensen, City Administrator
CITY OF BIGGS
465 C Street
Biggs, California 95917

RE: HOUSING ELEMENT UPDATE

Dear Mr. Sorensen:

PMC is pleased to provide you with this proposal to assist the City of Biggs in preparing its 5th cycle Housing Element update. PMC's Housing and Community Development team has considerable experience working with the California Department of Housing and Community Development (HCD), having completed 44 certified Housing Elements since 2008, of which 30 were certified after a single round of review. PMC recently prepared the City of Roseville's Housing Element, with HCD's new streamlined process, and received a conditional compliance letter within two weeks.

PMC has established a positive working relationship with the City of Biggs and worked with the City to prepare the Housing Element update during the 4th Housing Element cycle; the document was certified with just one round of review. In addition, PMC is currently preparing 5th cycle Housing Elements for several nearby communities including Marysville, Yuba City and Yuba County. The project team, managed by Jennifer Gastelum, has over 12 years of experience in managing the preparation of Housing Elements. Ms. Gastelum will manage the Housing Element update from the Sacramento office, with support from Scott Friend, our CEQA project manager, and Amy Sinsheimer, our senior planner. With an office in Sacramento and an office in Chico, PMC is uniquely qualified to meet project demands in person in Biggs and to attend meetings with HCD in Sacramento. PMC has the staff and resources available to help City staff prepare a Housing Element that can be certified by HCD.

While PMC anticipates that the 5th cycle update will be a minor, technical revision, the Housing Element update will include updates to data to include the 2010 Census as well as review of the implementation of the 4th cycle Housing Element. PMC will work with City staff and make this a team effort to complete the Housing Element update. PMC will take the lead and provide a framework of necessary updates in each section, providing the format for the document and drafts to the City for review to make this a seamless process for City staff.

The following scope, budget, and schedule are targeted to ensure that the updated Housing Element complies with new state laws and identifies adequate sites to meet Biggs's 2014-2022 Regional Housing Needs Allocation (RHNA).

Please don't hesitate to contact Jennifer Gastelum at (916) 361-8384, ext. 10258, or jgastelum@pmcworld.com should you require any additional information. We are excited for the opportunity to assist the City with completing its 5th cycle Housing Element and look forward to hearing from you.

Sincerely,

Philip O. Carter
President


Jennifer Gastelum
Project Manager

POC:as:sw:jm
P:\California, State of\Biggs, City of\PI3-0603 Housing Element\PI3-0603 Montague Housing Element Letter Proposal

HOUSING ELEMENT SCOPE OF WORK

TASK 1: PROJECT KICKOFF MEETING

PMC will initially meet with City staff to review the scope of work, collect information sources, and finalize the project schedule and work plan. PMC will also take this opportunity to discuss the best methods for ensuring regular communication.

Deliverable: *PMC will provide the City with a list of data and information needed from the City to kick off the project. This memorandum of data items will be forwarded to the City prior to the project kickoff meeting.*

TASK 2: REVIEW OF EFFECTIVENESS OF THE EXISTING HOUSING PROGRAMS

State law requires the review of the effectiveness of the current Housing Element, including (1) actual results of the current element compared to its goals, policies, and programs (Sec. 65588(a)(2)); (2) significant differences between what objectives and planned activities are in the element and what was achieved (Sec. 65588(a)(3)); and (3) how the policies and implementation programs of the updated element incorporated what was learned from the prior element (Sec. 65588(a)(1)).

Deliverable: *PMC will provide City staff with an HCD-approved template to assist in this process and will review this section to ensure it meets all of HCD's requirements. This evaluation, along with the public participation process and consultation with City staff, will provide the basis for the update to the goals, policies, and implementation programs of the Housing Element.*

TASK 3: HOUSING NEEDS ASSESSMENT

PMC will update the following sections of the Housing Needs Assessment:

- **Population and Employment Trends:** race, age, employment by industry and occupation
- **Household Characteristics:** number of existing and overpaying households, lower-income households (including extremely low)
- **Housing Stock Characteristics:** housing conditions, overcrowded households, housing costs, housing type, and vacancy rates
- **Special Housing Needs:** special housing needs of persons with disabilities (including addressing persons with developmental disabilities), seniors, large households, female-headed households
- **Inventory of At-Risk Units:** based on conversations with California Housing Partnership Corporation staff
- **Analysis of Opportunities for Energy Conservation:** in response to Senate Bill 375 and Assembly Bill 32, an inventory and analysis of opportunities to encourage the incorporation of energy-saving features, energy-saving materials, and energy-efficient systems and design for residential development

Deliverable: *Consistent with state law, the Housing Needs Assessment will include updated 2013 Department of Finance numbers and 2010 US Census information.*

TASK 4: HOUSING CONSTRAINTS

PMC will analyze potential and actual governmental and non-governmental constraints to meet the identified housing needs (Sec. 65583(a)(4, 5)). Possible governmental constraints include land use controls, sensitive areas (e.g., wetlands, creeks, and floodplains), fees and exactions, permit processing procedures, and building codes and their enforcement. Non-governmental constraints may include the availability of financing, cost of construction, and price of land. We will consider zoning and

infrastructure constraints for specific sites identified in the land inventory. PMC will propose ways to reduce non-governmental constraints.

Deliverable: *A complete analysis of possible constraints will be included as part of the Housing Needs Assessment.*

TASK 5: RESOURCES AND ADEQUATE SITES INVENTORY

The City will provide an inventory of vacant sites to meet the RHNA. PMC will work with City staff to complete an inventory of vacant land and other sites that may be suitable for residential development within the planning period. Because PMC completed the City's previous inventory, it is assumed that the majority of these sites are still available and therefore this will be a minimal work effort.

Deliverable: *PMC will provide City staff with a complete land inventory analysis for review and revision. PMC will work with the City to remove any sites from the inventory that either have been developed or are no longer feasible.*

TASK 6: HOUSING PROGRAMS

PMC will work with City staff to present goals, policies, and quantified objectives to address identified housing needs and constraints, based on the information received from the public workshops and the needs identified in the Housing Needs Assessment. These policies will guide decision-making with regard to adequate sites for various types of housing and appropriate housing development for Biggs. Implementation programs will address all new state law requirements, including Senate Bill 812, in addition to actions that may include development controls, regulatory incentives, constraint-removal programs, fair housing programs, and sources of affordable housing funding, and will describe the specific steps, time frame, and City departments responsible for implementation.

Deliverable: *A complete implementation program that addresses all state law requirements will be included as part of the Housing Element.*

TASK 7: HCD CORRESPONDENCE

PMC has established strong working relationships with HCD reviewers, and because PMC is located in close proximity to the HCD office, staff is able and willing to meet with HCD staff as needed. PMC staff is very familiar with HCD's processes, HCD staff, and what steps need to be taken to assure Housing Element certification.

PMC will serve as the City's liaison to HCD. This service will include:

- Submittal of the draft Housing Element to HCD in a streamlined format as requested by HCD.
- Meetings and/or conference calls with HCD staff and City staff to discuss comments.
- Submission of the final draft to HCD for review and approval.

Deliverable: *Upon submitting the draft Housing Element to HCD for a 60-day review, PMC will respond to one set of written questions and comments received from HCD in its findings letter with one follow-up response to clarify any additional comments through an additional 60-day review period if necessary. All changes that are required to the draft Housing Element as a result of HCD comments will be incorporated into the document in a strikethrough format and presented to City staff for their approval.*

TASK 8: DRAFT AND FINAL HOUSING ELEMENT DOCUMENTS

PMC will prepare a series of draft documents in a user-friendly and HCD-targeted format. All documents will be prepared in Microsoft Word and/or Excel.

Administrative Draft Housing Element

PMC will provide an administrative draft of the Housing Element for City staff to review. PMC requests that we receive one consolidated set of City comments on the draft document.

Deliverable: *PMC will provide one (1) electronic copy of the draft for City staff review.*

Public Review Draft Housing Element

The refined administrative draft will be presented as a public review draft Housing Element to the City Council for preliminary approval of the document for its initial 60-day review at HCD.

Deliverable: *PMC will supply one (1) electronic copy of the draft to City staff and one (1) black-and-white hard copy to HCD for review.*

Revised Public Review Draft Housing Element

After receiving HCD comments, PMC will incorporate the comments and revise the draft Housing Element to reflect HCD comments and concerns. PMC will submit the revised draft Housing Element to HCD for informal review and will meet (conference call or in-person meeting) with HCD to go over the revisions and to confirm that HCD's comments and concerns have been sufficiently addressed.

Deliverable: *PMC will supply one (1) electronic copy of the revised draft to City staff and two (2) black-and-white hard copies to HCD (one redline and one clean version) for final review.*

Final Adopted Housing Element

The final Housing Element will incorporate any additional HCD comments and be presented to the City Council for final consideration. The Housing Element will then be sent to HCD for the 90-day certification review period.

Deliverable: *PMC will provide one (1) black-and-white hard copy and one (1) CD-ROM of the final Housing Element to the City and one (1) final black-and-white hard copy of the adopted Housing Element to HCD for certification.*

TASK 9: PUBLIC PARTICIPATION

PMC will assist with facilitation of the Housing Element community outreach program consistent with state and federal laws to solicit input from all segments of the community, including housing development professionals, residents, businesses, service groups, youth, seniors, and various stakeholders. We recommend that the City hold one public workshop or one stakeholder consultation meeting near the beginning of the Housing Element process, one City Council hearing prior to submitting the draft to HCD for the 60-day review, then one final presentation to the City Council for adoption of the Housing Element.

Deliverable: *PMC will provide web-ready versions of all documents for posting on the City's website, which will include current information regarding the schedule of the Housing Element, public meetings, drafts, and other pertinent data. PMC will attend one (1) public workshop or stakeholder consultation meeting and two (2) public hearings. PMC is available to attend additional meetings at a per-meeting cost of \$1,600.*

TASK 10: ENVIRONMENTAL REVIEW

PMC understands that the City's General Plan is currently being updated. It is assumed the analysis performed for the General Plan Environmental Impact Report (EIR) will address impacts associated with the 5th cycle Housing Element update. If the General Plan EIR is certified prior to Housing Element adoption, findings will be made that the California Environmental Quality Act (CEQA) analysis in the General Plan EIR addresses impacts associated with the Housing Element Update. PMC has included an optional task to prepare an addendum to the existing General Plan if the EIR for the General Plan update is not certified prior to Housing Element adoption.

Deliverable: *PMC will complete the environmental review for the Housing Element.*

TASK 11: PROJECT MANAGEMENT/COORDINATION

PMC will coordinate with the City as needed to complete the Housing Element update in an efficient and timely fashion. The project team will be available to check in over the phone as needed.

Deliverable: *Project coordination as needed throughout the project schedule.*

OPTIONAL TASK 1: HOUSING CONDITIONS SURVEY

PMC will perform a housing conditions survey in targeted neighborhoods known to have older and/or possibly substandard housing units. PMC will work with City staff to determine the appropriate study areas within the city to ensure geographic representation. PMC will incorporate the survey results into the Housing Needs Assessment section of the Housing Element document.

Deliverable: *Results of the housing conditions survey will be incorporated into the Housing Element document.*

OPTIONAL TASK 2: ADDENDUM TO GENERAL PLAN EIR

If the EIR for the General Plan update is not completed prior to Housing Element adoption, PMC will prepare an addendum to the existing General Plan EIR. Under this method, PMC would provide a written analysis explaining that the changes to the Housing Element are "...minor technical changes or additions and that none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR...have occurred." An addendum need not be circulated for public review. The City would adopt findings based on the addendum (or simply attach the addendum analysis to the resolution) at the time the Housing Element is considered.

We have used the addendum process for other Housing Elements. Assuming the housing needs do not exceed the unit potential the City presented in the General Plan, we believe an addendum would adequately address the potential environmental impacts. The level of analysis is dependent upon the extent of changes required by the Housing Element. The precise level of analysis will be determined when the draft of the Housing Element is under way.

PMC will provide the draft addendum to the City for review, meet with the City to discuss comments, and make final revisions to accompany the staff report. An addendum does not need to be circulated for public comment; however, we recommend that the analysis accompany the draft Housing Element and that the public be invited to comment. Allowing for an administrative draft, comments, and responses, an addendum takes approximately eight to ten weeks to complete (including a minimum of four weeks for staff review time).

Deliverable: *Draft and final copies of the General Plan EIR Addendum.*

SCHEDULE

PMC has an excellent track record of receiving compliance with just one round of review; and while two rounds of review are not expected, should two be necessary, PMC can still meet the HCD deadline of having an adopted element by June 15, 2014. The schedule below is based on two rounds of review with HCD.

Time Frame	Task
September 2013	Project kickoff meeting
September–October 2013	Prepare administrative draft Housing Element
October 2013	Public workshop or stakeholder consultation meeting
October 2013	City staff review administrative draft
November 2013	Prepare public review draft Housing Element
December 2013	City Council hearing to submit draft
January 2014	City Council hearing to submit draft (PMC available to attend at extra meeting cost)
January 2014–March 2014	Submit draft to HCD (first 60-day review)
Late March 2014	Conference call with HCD, prior to receiving a letter to address any last-minute issues
April 2014	Address HCD comments
Late April 2014*	City receives a “conditional compliance” letter from HCD
May 2014	Public hearings to adopt Housing Element (PMC to attend City Council adoption hearing)
June 2014	Submit final Housing Element to HCD (90-day review)
September 2014	HCD certification

**Note: Once the City has received its conditional compliance letter from HCD, it is typical for HCD to provide a certification letter within a shorter time frame than 90 days.*

BUDGET

PMC assumes a total cost of \$25,690 to complete the tasks listed previously without optional tasks. PMC has also included two optional tasks, a housing conditions survey (\$6,425) and GP EIR Addendum (\$2,710). With the two optional tasks the total project cost would be \$34,825. The scope and budget assume that the City will assist with review of the previous Housing Element (Task 2) and assist with the adequate sites inventory (Task 5).

The scope of work also assumes that PMC will attend one public workshop or stakeholder consultation meeting and two City Council hearings. PMC is available to attend additional meetings at a per-meeting cost of \$1,600.

Should the City wish to take on a larger role in completing portions of the scope of work, PMC will work with the City to revise the scope and budget.

BILL RATES

Staff	Hourly Rate
Project Manager	\$125
CEQA Project Manager	\$125
Senior Planner/Assistant Project Manager	\$100

BUDGET BY TASK

Task	Cost
Task 1: Project Kickoff Meeting	\$775
Task 2: Review of Previous Element	\$1,930
Task 3: Housing Needs Assessment	\$3,230
Task 4: Housing Constraints	\$2,729
Task 5: Resources and Adequate Sites Inventory	\$3,145
Task 6: Housing Programs	\$2,400
Task 7: HCD Correspondence	\$2,730
Task 8: Draft and Final Housing Element Documents	\$3,090
Task 9: Public Participation	\$3,770
Task 10: Environmental Review (coordination only)	\$250
Task 11: Project Management/Coordination	\$1,600
Printing Costs	\$50
Total	\$25,690
Optional Task 1: Housing Conditions Survey	\$6,425
Optional Task 2: General Plan EIR Addendum	\$2,710
Total with Optional Tasks	\$34,825

KEY STAFF MEMBERS

JENNIFER GASTELUM, PROJECT MANAGER

Jennifer Gastelum brings over 12 years of experience that includes projects throughout California, Nevada, and Washington. She is experienced in managing the preparation of Housing Elements, housing needs assessment reports and housing condition surveys, consolidated plans, and affordable housing strategies and various affordable housing studies. Her most recent housing policy experience includes Housing Element updates for over 40 California cities.

Ms. Gastelum prepared a Regional Housing Strategy and Fair Share Housing Allocation Plan for Pierce County, Washington. She previously represented the City of Rancho Cordova at the Planners' Roundtable process to determine the fair share methodology and allocations for the multi-city Sacramento Area Council of Governments. In addition, she developed Affordable Housing Best Practices Strategies for El Dorado County and Placer County, which included inclusionary housing recommendations and identifying zoning and infill incentives. Ms. Gastelum completed the CDBG Consolidated Plan for the City of Rancho Cordova in conjunction with the preparation of the Redevelopment Blight Assessment and Housing Element. She also assisted with the completion of the New Rochelle (New York) Consolidated Plan and managed the completion the City of Monterey Consolidated Plan, Action Plan, and Analysis of Impediments updates.

SCOTT FRIEND, AICP, CEQA PROJECT MANAGER

Scott Friend is experienced in working with local, state, and federal agencies and managing CEQA and NEPA projects. He has prepared or directly managed a myriad of CEQA and NEPA projects, ranging from program and project environmental impact reports for general plans and major development projects to negative declarations and mitigated negative declarations for public and private development and infrastructure projects to NEPA environmental assessments and exclusions for grant-funded projects involving federal dollars.

Mr. Friend has a variety of public sector planning experience, ranging from serving as contract planning staff for various north state communities to the preparation of general and specific plans, zoning ordinance updates, and all manner of current planning projects. His private sector experience includes the layout and design of new residential and commercial development projects, as well as the preparation of entitlement requests, general plan amendments, and development impact fee and site analyses for various private clients.

AMY SINSHEIMER, AICP, SENIOR PLANNER/ASSISTANT PROJECT MANAGER

Amy Sinsheimer has over 10 years of experience managing Housing Elements and zoning ordinance updates, preparing CEQA documents, and in other long-range planning. She regularly interfaces with clients and team members, coordinating work among PMC employees, and attending meetings, interviews, and public hearings. She has significant experience with public outreach, including for complex projects involving multiple agencies, stakeholders, and team members. Ms. Sinsheimer's responsibilities include marketing, proposal writing, research, writing, and review of documents. She prepared Housing Elements during the 3rd and 4th cycles and has worked closely with staff at HCD to achieve certification for her clients. Ms. Sinsheimer prepared Housing Elements during the 4th cycle for the cities of Benicia, Tulare, Pismo Beach, Grover Beach, Atascadero, Arroyo Grande, Richmond, Pacific Grove, and King City. She has also prepared Housing Element program implementation documents for the cities of Atascadero and Pismo Beach.

Currently, Ms. Sinsheimer is working on 5th round Housing Element updates for the cities of Davis, Marysville, South Lake Tahoe, Yreka, and Yuba City, and the counties of Yuba and Riverside.