

San Carlos 2023-2031 Housing Element

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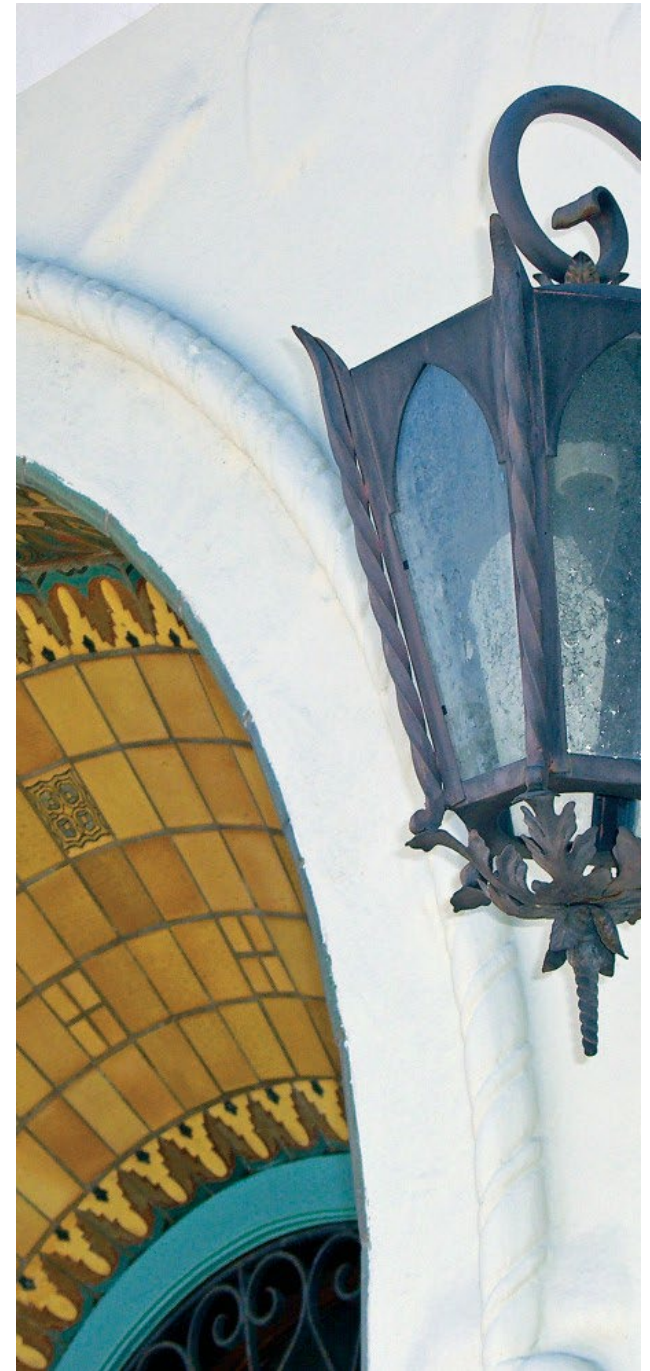


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Overview of the Housing Element

All California cities and counties are required to have a Housing Element included in their General Plan, which establishes housing goals, policies, and actions in response to community housing conditions and needs. This Housing Element has been prepared to respond to current and near-term future housing needs in San Carlos and also provide a framework for the community's long-term approach to addressing its housing needs. The Housing Element contains goals, updated information, and strategies (policies and implementing actions) that the City is committed to undertaking.

Housing affordability in San Mateo County and in the Bay Area as a whole is a critical issue. San Carlos's housing conditions are reflective of many area-wide and even nation-wide trends. Over the past thirty years, housing costs have skyrocketed out of proportion to many people's ability to pay. In addition, interest rates, construction costs, and high land costs have all increased significantly. This has a number of implications as it becomes more difficult for employers to fill vacant jobs, workers must travel longer distances into and out of San Carlos and surrounding areas to get to work, and many young people, families, longtime residents, and people with specialized housing needs cannot find housing they can afford or that meets their needs.

The Housing Element touches many aspects of community life. This Housing Element builds upon the goals, policies, and implementing programs contained in the City's 2015-2023 Housing Element and other City policies and practices to address

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housing needs in the community. The overall focus of the Housing Element is to enhance community life, character, and vitality through the provision of adequate housing opportunities for people at all income levels.

The Housing Element covers the planning period of January 31, 2023 through January 31, 2031.

Consistency with the San Carlos General Plan

The San Carlos General Plan serves as the ‘constitution’ for development in the city. It is a long-range planning document that describes goals, policies and actions to guide decision-making. All development-related decisions must be consistent with the General Plan, of which the Housing Element is but one part. If a development proposal is not consistent with a city’s General Plan, it must be revised or the plan itself must be amended. State law requires a community’s General Plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall General Plan, with consistency between it and the other General Plan elements.

The 2023-2031 Housing Element was updated as part of a focused General Plan Update to address environmental safety, housing, and land use. All policies and actions in other General Plan elements were prepared to be consistent with the Housing Element. Land Use designations and densities in the Land Use Element were prepared to be consistent with this Housing

Element and to accommodate San Carlos’ housing need for the 2023-2031 planning period.

The intent of the 2015-2023 Housing Element is to maintain the consistency of the Housing Element with the other General Plan Elements over time. Consistency modifications ensure that any potential impediments to implementation of the Housing Element are addressed in the other elements of the General Plan.

State Law Requirements for Housing Elements

State law requires each city and county to adopt a General Plan containing at certain topics (called “elements”), including a Housing Element. California State law provides more detailed requirements for the Housing Element than for any other General Plan element. This Housing Element responds to those requirements, as well as conditions and policy directives unique to San Carlos.

Unlike the other mandatory General Plan elements, the Housing Element requires periodic updating and is subject to detailed statutory requirements and mandatory review by the State of California Department of Housing and Community Development (HCD). According to State law, the Housing Element must:

- Provide goals, policies, quantified objectives and scheduled programs to preserve, improve and develop housing.

- Identify and analyze existing and projected housing needs for all economic segments of the community.
- Identify adequate sites that will be zoned and available within the Housing Element planning period – between 2023 and 2031 – to meet the City’s share of regional housing needs at all income levels.
- Undertake HCD review of the Draft Housing Element and certification of the City’s adopted Housing Element in compliance with State law.

State law establishes detailed content requirements for Housing Elements and a regional “fair share” approach to distributing housing needs throughout all communities in California, including the Bay Area. The law recognizes that in order for the private sector and non-profit housing developers to address housing needs and demand, local governments must adopt land use plans and implement regulations that provide opportunities for, and do not unduly constrain, housing development.

The Housing Element must provide clear policies and direction for making decisions related to zoning, subdivision approval and capital improvements that relate to housing needs. The housing actions (i.e., programs) are intended to: (1) identify adequate residential sites available for a variety of housing types for all income levels; (2) focus on the provision of adequate housing to meet the needs of lower and moderate income households; (3) address potential governmental constraints to the maintenance, improvement and development of housing; (4) preserve and improve the condition of the existing affordable housing stock; and, (5) promote housing opportunities for all persons. Also in

accordance with State law, the Housing Element must be consistent and compatible with other elements (or sections) of the San Carlos 2030 General Plan.

Process of Preparing the Housing Element

San Carlos’s history of extensive community involvement in local decision-making makes the community outreach process for the Housing Element update not only essential and highly desirable, but also a critical component of the work effort. The approach for the Housing Element update described below is consistent with State law contained in Government Code 65583(c)(7) – “The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.”

Throughout the process and discussion, the City of San Carlos has made a diligent effort to achieve public participation from all economic segments of the community. Invitations to all community meetings were sent to local affordable housing organizations and other special needs service providers who represent low-income and special needs populations to encourage their participation. Translation services were offered and made available upon request. All comments were considered and evaluated during the drafting of the 2023-2031 Housing Programs. Key themes from the outreach process are summarized below.

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At its core, the Housing Element provides an opportunity to have a community conversation about how to collaboratively address local housing challenges, develop policies, and find solutions.

Engagement Process

The City’s housing engagement process was two-fold: a county-wide collaboration between all jurisdictions called Let’s Talk Housing and a city-specific engagement process.

21 Elements / Let’s Talk Housing

21 Elements is a multi-year, multi-phase collaboration between all San Mateo County jurisdictions, along with partner agencies and stakeholder organizations, that aims to support jurisdictions in developing, adopting, and implementing local housing policies and programs. Let’s Talk Housing is a collaborative effort between all 21 jurisdictions in San Mateo County focused on increasing awareness of and participation in the Housing Element update process.

21 Elements/Let’s Talk Housing organized a series of countywide meetings about the Housing Element update and provided community members with an introduction of the Housing Element update and why it matters. These meetings were attended by more than 1,000 community members. San Carlos was part of the April 13, 2021 introductory meeting. Additionally, Let’s Talk Housing held an All About RHNA webinar and a countywide four-part webinar series to help educate and inform San Mateo County residents and stakeholders on regional and local housing issues. The four-part series took place on Zoom in fall of 2021, focusing on the

following topics and how they intersect with the Bay Area’s housing challenges and opportunities:

- Why Affordability Matters
- Housing and Racial Equity
- Housing in a Climate of Change
- Putting it All Together for a Better Future

The series included speaker presentations, audience Q&A, breakout sessions for connection and debrief discussions. The sessions were advertised and offered in Spanish, Mandarin, and Cantonese, though participation in non-English channels was limited.

Key themes that emerged included:

- Housing affordability is a public health issue: Where we live impacts our health, economic equity, environmental and racial justice
- The Three S’s: Supply, Stability and Subsidy: Increase housing supply, protect renters and vulnerable households by providing stability, fill the gaps with subsidies
- Implement strategies to promote climate-ready housing

In addition to the discussions above, Let’s Talk Housing also sponsored four “listening sessions” with city and county staff and key stakeholders, that convened more than 30 groups. These stakeholders represented organizations that focused on:

- Building market-rate or affordable housing

- Addressing fair housing issues
- Advocating for affordable housing
- Providing housing services

San Carlos Housing-Element Focused Engagement

The Housing Element is being updated in conjunction with the City’s Safety Element and amendments to the Land Use Element and other elements in support of the Housing Element. The public engagement program initiated for this consolidated effort sought to use people’s time efficiently, so that an outreach activity could inform more than one element. However, the emphasis has been housing and the Housing Element. The program’s approach focused on helping people understand how these plans can impact their community and daily lives, with less emphasis put on explaining the legislative requirements and planning jargon. The engagement program leveraged a variety of outreach and engagement strategies, tools, and methods to inform, educate, and engage stakeholders throughout the planning process. The update was called “San Carlos 2040” to highlight the initiative.

The planning process sought to engage many key audiences: the City Council Housing Subcommittee, Planning Commission, City Council, various other Commissions, a wide variety of stakeholders (local agencies and housing groups, community organizations, housing developers, and student groups, etc.), and the general public (residents of the community) to ensure that all economic segments of the City were represented and invited to provide input. The stakeholder list includes over 1,000 residents, local advocates, and service organizations to provide feedback to the City on housing policy.

Hundreds of residents, businesspeople, and other stakeholders participated across a series of activities. Outreach and participation for this Housing Element update was different than previous years because much of the update process occurred during the COVID-19 pandemic. Meetings were promoted through website updates, social media posts, mailers, and flyers posted in public spaces to advertise and invite the community to virtual workshops. Service organizations were directly contacted to solicit participation in the program, and included organizations representing lower- and moderate-income households, seniors, and youth, among others as a way to ensure hard to reach populations were included in the engagement process (organizations that participated are listed on page 7). Through this robust outreach and engagement process, the strategies in the Housing Element were defined.

Stakeholder Interviews

At the outset of the engagement process, the City interviewed participants who represent different constituencies and various economic segments in the community to get input on housing issues and potential engagement strategies to reach the community. Stakeholders included the local Chamber of Commerce, the City’s Recreation Division, the PTA Coordinating Council, and the San Carlos School District.

Community Workshops and Follow-Up Surveys

MIG facilitated multiple virtual interactive community workshops that addressed housing-related issues as part of the Housing Element update process. The workshops included a

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presentation, live polling, virtual whiteboard recording to collect input from the participants, and an interactive discussion.

City staff conducted robust community outreach to encourage maximum participation in the workshops and surveys that followed workshops. This included social media posts on Facebook, NextDoor, Instagram, and Twitter. Announcements about the project and workshop were made at public meetings including City Council, Planning Commission, Transportation & Circulation Commission, Economic Development Advisory Council, and the Youth Advisory Council. In addition, the workshops were promoted through the City’s Spotlight Newsletter, City Council Newsletter, Adult Community Center Newsletter, Chamber of Commerce Newsletters, and E-notify blasts. Grassroots efforts included booths at the San Carlos Farmer’s Market and flyers throughout the Downtown. Across all the workshops and surveys there were 370 stakeholders who participated.

Participants were invited to share housing and environmental safety ideas and concerns at all engagement activities. The first community survey focused on housing and environmental safety issues. The first workshop introduced the planning process for the Housing and Environmental Safety Elements and offered participants the opportunity to discuss housing concerns and ideas for solutions. A second survey launched just before the second workshop, which focused on defining key priorities to consider when defining where and how new housing might be built in San Carlos. The second workshop provided additional background information for the survey and the team introduced

possible land use policy changes and strategies that would allow for additional housing to be constructed throughout the community.

The third workshop shared the estimated number of housing units that could be accommodated with existing zoning and policies, identified the anticipated housing shortfalls, and introduced new ideas and strategies to achieve housing targets. The fourth workshop discussed and refined potential changes to accommodate San Carlos’ housing needs and collected input on possible zoning strategies for El Camino Real and other higher density residential areas.

Table 4.1-1: Community Workshops and Surveys

Community Workshop	Date / Date Range	Topic	Number of Participants
Survey #1	Mid-October to December 7, 2020	Housing and Environmental Safety	76
Workshop #1	November 30, 2020	Community Values, Issues, and Concerns	65
Survey #2	January 11 – February 12, 2021	Housing Priorities	75
Workshop #2	January 20, 2021	Values and Land Use Strategies	75
Workshop #3	May 26, 2021	Housing Changes and Solutions	37
Workshop #4	August 11, 2021	Housing Changes and Zoning Strategies	42

Community and Focus Group Meetings

To engage the City's active interest groups, the City met with an existing neighborhood group (Greater East San Carlos; January 19, 2021), the Harbor Industrial Association (November 4, 2021), and the Chamber of Commerce (January 18, 2022). City staff also presented an update on the Housing Element to the Economic Development Advisory Commission on September 22, 2020 and August 24, 2021 and presented to the Transportation and Circulation Commission on November 17, 2020 to describe the project, answer questions, and receive feedback.

The City also convened a focus group representing local service providers that represent persons with special needs (June 13, 2022). The focus group meeting included representatives from a variety of community-based organizations (CBOs). More than 25 organizations were invited to participate. Organizations that participated included:

- Caminar – Project Ninety: Providing mental health and substance use treatment programs, serving individuals in recovery, especially adults with co-occurring disorders.
- Catholic Charities: Providing advocacy, social services, and affordable housing for people in need.
- City of San Carlos Adult/Senior Programs: Providing resources to local seniors.
- HIP Housing: Providing home sharing, self-sufficiency support, and property development to support people with special needs (either from income or circumstance).

- Housing Choices: Providing affordable housing for people with disabilities and their families.
- Housing Leadership Council of San Mateo County: Advocating for quality affordable housing.
- Project Sentinel: Providing mediation and fair housing services.
- Samaritan House: Providing financial assistance, food, services, and shelter to people experiencing homelessness.
- San Carlos Elms: Providing senior housing with supportive services.
- Vista Center: Providing services for people who are blind.

At these meetings, the City shared information about the Housing Element Update process and solicited input on housing needs for various special needs groups. Outreach and engagement to these community-based organizations helped to expand the reach to understand the housing and supportive service needs of a broad spectrum of economic groups in the community. These organizations represent hard-to reach communities, including lower-income and special needs households. The CBO meeting provided a forum for the organizations to provide insight from the groups that they serve. City Council, Planning Commission, and Subcommittee Committee Study Sessions

The City held several study sessions with the City Council, Planning Commission, and City Council Housing Subcommittee to guide the direction of policy development and to provide additional opportunities for public input (Table 4.1-2).

Table 4.1-2: Study Sessions

Study Sessions	Date	Topic
Planning Commission Study Session	October 19, 2020	Introduction to the Housing Element
City Council Study Session	September 27, 2021	Community Input and RHNA
Planning Commission EIR Scoping Session	January 12, 2022	Process Update and EIR Scoping
City Council Subcommittee Meetings	August 20, 2020; November 5, 2020; February 10, 2021; September 1, 2021; November 10, 2021; March 15, 2021; September 2022	Introduction to the Housing Element, Community Input, Meeting the RHNA, Housing Policies, and Public Review Draft Housing Element
Planning Commission Study Session	September 19, 2022	Public Review Draft Housing Element
City Council Study Session	September 26, 2022	Public Review Draft Housing Element

Key Themes from Public Engagement

Key themes and recommended strategies that emerged from these engagement activities include:

- Coordination** – The interdisciplinary nature of housing was a common theme, and the need to coordinate with Caltrain, employers, and entities that provide supportive services and infrastructure for housing.
- Financial Partnerships** – Recognizing the high cost associated with affordable housing, partnerships were identified as important, with an emphasis on collaboration with nonprofits and the County to build affordable housing.
- Decrease Greenhouse Gas Emissions (GHG)** – Avoid increasing greenhouse gas emissions and ensure that new buildings use energy-efficient appliances and renovate existing structures so that gas-fueled furnaces, water heaters, or stoves are not used.
- Meeting the Housing Needs of Different Age Groups** – Create additional housing for seniors and provide additional assisted living facilities, and at the same time recognize the housing needs of younger residents.
- Meeting the Housing Needs of Special Needs Groups** – Child care and developmental disabilities advocates contributed information regarding the needs and potential actions to support these special needs groups.
- Increase Housing Options** – Provide more housing options (apartments, condominiums, duplex, triplex, etc.), housing characteristics (increase building heights, unit density, and compactness) and increase options for specific groups (essential workers, local low-income residents, seniors, and younger populations).

- **Implications of Single-Family Zoning** - Note the historical injustices and inequities amplified and perpetuated by single-family zoning and consider the equity implications of preserving single-family zoning. Address historic housing injustices with support for diversity and inclusive housing. Include housing as a buffer between single-family homes and large buildings/development.
 - **Increase Accessory Dwelling Units (ADUs)** - Build new ADUs and encourage new development to subsidize ADUs.
 - **Balance Jobs: Housing** - Provide affordable housing in balance with number of local low-income jobs.
 - **Renovate and Update Existing Units** - Upgrade old properties, renovate older apartments into affordable housing, and convert unused office buildings into housing.
 - **Increase Transit Oriented Development** - Build new housing along high-quality transit corridors. Encourage use of public transportation.
 - **Increase Multi-Family Housing** - Support a variety of multi-family housing unit sizes and types such as duplexes, triplexes, high-density multi-family developments, and micro-units. Consider rezoning east of the freeway for multi-unit. Encourage family-sized units. Support for higher building heights if there was more BMR (below market rate) housing in the development.
 - **Ownership Opportunity** - Promote diverse ownership by prioritizing smaller development and more opportunities for ownership.
- **Increase Infrastructure Capacity** - Expand and maintain the infrastructure capacity for water, waste, electricity, and transportation to support the new housing.
 - **Potential Scenarios** - The planning team presented three potential land use scenarios that would accommodate more housing than the current zoning would allow. The community had a variety of questions regarding the details and desires transparency regarding impact, construction schedules, and design. In general, participants favored six-story buildings at 75 ft. in height (i.e., support for higher heights was associated with the provision of more affordable housing) and transitioning buildings between districts.
 - **Diverse Opinions** - While several participants supported the potential scenarios and overall housing growth, participants noted the need for transparency and compromise. Many suggested limiting building heights to 4-stories. Some suggested spreading growth in areas that have high densities and increasing multi-family and mixed-use housing throughout San Carlos.

Comments from community workshops and correspondence received during the update process have helped to identify housing needs and issues of concern in the community and possible strategies for the City to pursue in addressing housing needs.

How Public Comments Were Considered

Comments from community workshops and correspondence received during the update process have helped to identify housing needs and issues of concern in the community and possible strategies for the City to pursue in addressing housing needs.

Public Review Draft Housing Element

The Draft Housing Element was posted on the City's website, made available at City Hall, at the Community Development Department, and at the San Carlos Library. The City advertised the availability of the Draft Housing Element for public review through email notifications to the City's distribution list and on the City's social media outlets. The Draft Housing Element was available on August 30, 2022 for a 30-day comment period. During this time, an online comment form was available for the public to provide feedback on the Draft Element. The City scheduled two study sessions for September 19, 2022 and September 26, 2022 to receive verbal comments from Councilmembers, Commissioners, stakeholders, and the public.

During the public comment period, the City received multiple comment letters and had discussions with local property owners, residents, and housing advocates. Based on comments from the public, the City (consistent with AB 215) took 10 business days to consider and incorporate public comments prior to submitting the Draft Housing Element to HCD. Revisions included new and revised policies and programs to protect tenants, new sites to meet the RHNA were added to the sites inventory, based on feedback from interested property owners, objectives were added

to seek new funding sources for affordable housing, provide transparency in housing progress, and remove potential constraints. Specific revisions include:

- Clarify existing and proposed City policies and procedures, including BMR Ordinance requirements, open space requirements, parking, permit processing timeframes
- Add sites as requested by property owners interested in developing housing to the sites inventory to meet the RHNA
- Removal/adjusting realistic capacity of sites with additional constraints in the sites inventory
- Adjusting estimated affordability of accessory dwelling units projected in the sites inventory
- Retain and implement transition zones between higher density mixed-use and lower density residential zones to address privacy and neighborhood character concerns
- Incorporate climate change concerns and preserve creek preservation measures
- Reduce height on E. San Carlos Avenue
- Incorporate anti-displacement and tenant protection measures
- Support for upzoning and additional housing capacity
- Support for childcare development impact fees and implementation streamlining
- Use an equity lens to encourage more affordable housing throughout the community

- Add implementation programs to further integrate and provide opportunity for housing and remove development constraints

The Draft Element, as revised with the public comments mentioned above, was submitted to HCD on October 14, 2022 and was made available on the City’s website for additional public review and comment during the HCD review period. As revisions are made to respond to HCD comments, this information will also be posted on the City’s website. During the HCD review period, additional comment letters were received. The following changes were made to the Housing Element in response:

- Adding new sites to the inventory from property owners who indicated they were interested in redeveloping their properties.

Following receipt of HCD’s review letter on January 6, 2023, the Draft Housing Element was revised to respond to the HCD’s comments. The revised draft was made available to the public for a 7-day review period on January 13, 2023 prior to adoption.

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