

N C H B

NEWSLETTER

Next NCHB Meeting:
 Wednesday, March 4th, 2009
 11:30 AM,
 Baywood Golf Club, Arcata, CA



General Plan

Hearings continue before the Planning Commission on the Housing Element (Chapter 8) of the General Plan rewrite with the meeting on Thursday, February, 26th, and Thursday, March 19th and March 26th, beginning at 6 p.m. in the Supervisors Chambers at the County Courthouse.

There is an August 2009 deadline for the new Housing Element to be approved by the Planning Commission and by the Supervisors before it can be submitted to the state Housing and Community Development Department for certification. Certification allows the County of Humboldt to apply for grant funding from the state for various purposes over the next 5 years.

As of this writing, there has not been progress on the methodology or allocation by HCAOG on the Assignment of the County's portion of the RHNA number for the next Housing Element plan

period. In its "draft" document, the County is using a "place - holder" housing allocation number for the next Housing Element Plan period of 5 years until the Humboldt County Association of Governments has completed its lawful process of coming up with a Regional Housing Needs Assessment number for each city with in the County as well as for the County itself.

We are mindful that several of the member jurisdictions have provided HCAOG with the needed information to get the work moving forward. NCHB supports the HCAOG Board members stepping up to get the RHNA process moving forward as soon as possible.



Questions for the County about Inclusionary Zoning

Last month, we mentioned that the Housing Element seeks to establish "Inclusionary Zoning" under a different name than was originally denied by the Board of Supervisors in 2007 as a priority. This Housing Element calls forth Inclusionary Zoning as a requirement for all major subdivisions in the future, **without having to meet any findings per state law in a public hearing.**

On January 30th, NCHB submitted the following letter to the

Planning Commission to be asked of staff:

We appreciate this opportunity to comment on the Housing Element Update. Frequently within the General Plan update/rewrite process it has been discussed how important definitions are within the draft Plan document because as we all know, sometimes there are as many interpretations of a word or of a term as there are people in the room. NCHB has questions we would like staff to answer on February 5th to provide us, the planning commissioners and the general public for clarification:

1. Are we correct in our understanding that staff proposes Inclusionary Zoning within the General Plan under the name "Affordable Housing Program" that would require developers to build housing for the low, very low incomes within all residential development projects as a means of implementing the Housing Element within proposed new zones to be called "Housing Opportunity Zones"?
2. Would you agree that such a program is a tax on market rate housing within these projects?
3. Specifically, what form of Inclusionary Zoning does staff propose?
4. Will the proposed Inclusionary Zoning require payment of a fee each time a building permit is issued?
5. How much does staff propose that fee to be, and how will it be calculated (e.g. parcel size, gross floor area or net usable area)?

6. Will the Inclusionary Zoning fee be applied to all building permits including commercial, professional office, industrial and retail uses?

7. Has staff prepared any forecasts or models of effectiveness of their proposed Inclusionary Zoning plan? Where is it? When will that be made available for at least 30 days for the commission and the public to review?

8. What will be the administrative cost burden for such a program? How much will it cost on an annual basis for Inclusionary Zoning to be managed? Which County department will be charged to manage Inclusionary Zoning?

9. Will all resulting generated housing be restricted in price and merchantability by covenants? If so, what model will be used? What term of affordability restrictions are proposed (e.g. 10 years, 20 years, 30 years)?

10. If the Inclusionary Zoning units are not sold within 6 months of construction due to the current economic climate, would the County be responsible to buy the units back from the Developer? At what percentage of market rate?

11. How are the following factors of affordability going to be figured into such a program?

Land cost, land use regulation, construction materials costs, construction labor costs, prices and rents of comparable properties in the same market, household incomes (both the median and the range), vacancy rates, property maintenance, availability of government subsidies (for planning, construction, operations, and rent or mortgage payments) infrastructure costs, impact fees?

12. How many single family homes will this tax build per year?

13. How many apartments will this tax build per year?

14. Where will these units be built?

15. Does the County NOW have sufficient lands to build these apartment units?

We will continue to send our questions along as the process continues, and again, thank you for your consideration.

To date, the questions have not been asked of staff by the Planning Commission.

Questions for the County about The Housing Element

How can the County Planning Department defend drafting a Housing Element without having gone through the Regional Housing Needs Assessment process completed by Humboldt County Association of Governments first? **How can the County hit a target it cannot yet see?**

In the State's Housing and Community Development department's Housing Element Guidelines, the final paragraph says that, "... (t)he element must analyze the impacts of the cost of land, construction costs, and the **availability of financing.**"

How can the County Planning Department defend drafting the "Housing Element Lot Inventory" without having a comprehensive financial analysis completed by those outside the County with financial expertise in light of the global economic meltdown?

In November of 2008, the County issued 4 building permits

for single family residences, which brought the 2008 total to 154 through November; the lowest annual number of single family residential building permit total that date in over 30 years.

How does staff translate this Housing Element into new housing starts? If there is an inadequate supply of lots, and because infrastructure is old and decaying, because financing is hard to find or non-existent and because government is not building, then what?

If the 10-year average of 255 housing starts in the County was floating on the formerly existing wide-open lending market, where do we find the Housing Element analysis for the changed lending environment, and how that changed lending market will affect housing starts during the plan period?

In January 2008, the County total number of single family residences was at 40,843, so the County's 10-year average of 255 new units was about .63% new houses per year. What will happen when market conditions (sales) and financing constraints (lack of willing lenders with tighter underwriting criteria applied) drive that number of starts to ever lower percentages?



Planning staff would like to see the plan in its entirety be reviewed by the Planning Commission by the end of September, 2009, and to the Supervisors soon thereafter.

NCHB does not support this deadline and feels there are too many questions unanswered.