

Housing Element Update

City of Mt. Shasta

City Council Workshop

August 8, 2022



Introductions

City of Mount Shasta

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Meeting Purpose

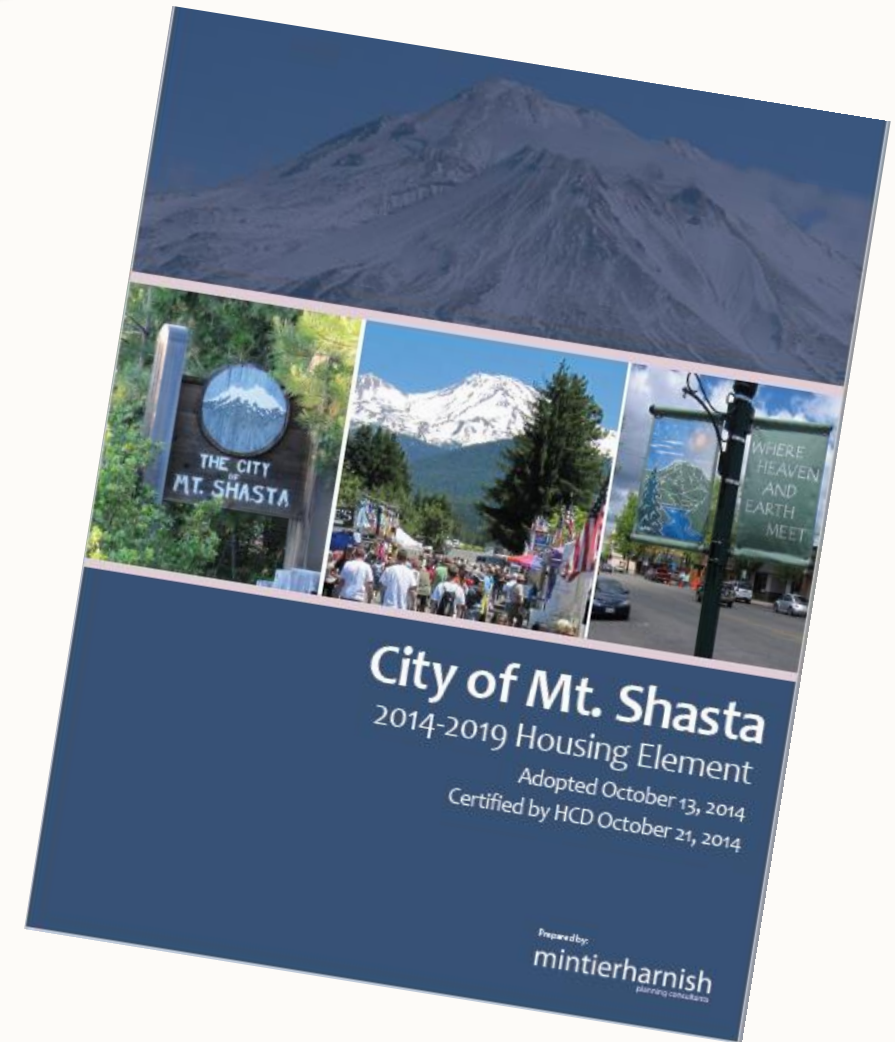
- **Housing Element Basics**
- **Regional Housing Needs Allocation (RHNA)**
- **New mandatory state laws**
- **Initial Housing Needs Assessment**
- **Community Engagement and Next Steps**
- **Questions and Discussion**

Housing Element Update Basics



Housing Element Basics

- A mandatory element of the General Plan
- Updates required by State law on eight year “cycles.”
- Currently preparing the 6th cycle Housing Element update (2023-2031)
- The State reviews housing elements for compliance with State. In order to access State funding, housing elements must be certified by the State.



Housing Element Basics

What does a Housing Element do?

- Provides an assessment of both current and future housing needs
- Identifies opportunities and constraints on housing production
- Establishes the City's goals, policies, and programs to meet the community's housing needs for the next 8 years.
- Updates City policies, programs, and regulations to reflect new State laws

Housing Element Basics

Housing Element identifies strategies and programs that focus on:

- Conserving and improving existing housing
- Maximizing housing opportunities throughout the community
- Assisting in the provision of affordable housing
- Removing governmental and other constraints to housing investment
- Promoting fair and equal housing opportunities

Outline of the Housing Element



Public Participation Process

Effort to include entire community, and public input received and how it is incorporated.



Needs Assessment

Evaluates existing conditions data and projected housing needs



Constraints on Housing

Discusses non-governmental and governmental constraints



Affirmatively Furthering Fair Housing (AFFH)

Analyzes fair housing data and issues to proactively further fair housing and equity



Housing Sites Inventory

Identifies sites proposed to meet housing needs



Goals & Policies

The City's programs that respond directly to needs, constraints, and AFFH

New Housing Laws (2021)



California Housing Legislation Highlights as of October 11, 2021

ACCESSORY DWELLING UNITS

- AB 345 Allows ADUs built by nonprofits to be sold separately.
- AB 561 Loan fund for building ADUs.
- AB 916 Allows 2-story ADUs in all cities. *Signed into law*

LOT DIVISION

- SB 9 Duplexes & lot splits.
- AB 803 Allows more lots to be subdivided.

BALLOT MEASURES

- ACA 1 Allows local housing/infrastructure bonds/taxes to pass with 55% majority.
- SCA 2 Eliminates requirement that public housing be approved by ballot measure.
- SB 5 \$6.5 billion affordable housing bond.
- AB 411 \$600 million bond for housing for veterans.

TAXES

- AB 71 Tax on large corporations to fund housing. *Signed into law*
- AB 464 Allows Enhanced Infrastructure Financing Districts (EIFD's) to use additional property tax revenue for housing and related services.
- AB 946 Closes loophole for 2nd homes, funds to assist first-time homebuyers.
- AB 1199 Tax on owners of 10 or more houses; funds housing, rent assistance.
- AB 1324 Allows EIFD's to fund affordable housing near transit.

PUBLIC LAND

- SB 51 Offers surplus state-owned homes on I-710 corridor to tenants and low income housing organizations.
- AB 512 Requires Caltrans to sell surplus land from cancelled I-710 for affordable housing at price it was bought at.
- AB 950 Streamlines sale of surplus Caltrans land for housing.
- AB 1271 Prioritizing surplus land on large sites such as former military bases for affordable housing. *Signed into law*

ELECTRIFICATION

- SB 68 Building electrification.
- AB 113, 965 Electric vehicle charging.

PRESERVING AFFORDABLE HOUSING

- SB 490 Technical assistance.
- AB 528 Sell tax-defaulted property to nonprofits.
- AB 634 Allows cities to require certain affordable housing stay cheap for over 55 years.
- AB 787 Allows conversion of existing market rate housing to affordable to meet housing goals.
- AB 1029 Encourage affordability preservation policy.
- AB 1516 Tax credits for preserving affordability.

FUNDING

- AB 49, 1135 Merges fund allocation committees.
- AB 605 Prioritizing shovel-ready projects.

AFFORDABLE HOUSING

- AB 387 Mixed income social housing.
- AB 482 Middle income housing pilot program in 3 counties.
- AB 491 Inclusionary units to be distributed throughout bldg.
- SB 649 Preference for local residents. *Signed into law*
- AB 721 Affordable housing to ignore covenants & restrictions.
- SB 728 Allow nonprofits to buy for-sale inclusionary units.
- AB 1016 Faster approvals for projects with up to 25 homes.
- AB 1043 Cheaper rents for Acutely Low Income residents. (15% or less of area median income). *Signed into law*
- AB 1068 Model plan for reducing costs through innovation.
- AB 1206 Tax break for low-income units in limited equity co-ops.

RE-ENTRY HOUSING

- AB 328 Housing for people released from prison or jail.
- AB 1241 "Ban the box" on rental applications.

STUDENT HOUSING

- SB 290 Density bonus for low income student housing and moderate income housing. *Signed into law*
- SB 330 Pilot program for L.A. community colleges to lease land or buildings for nonprofit low income student housing.
- AB 777 Transfers land to UC Davis for staff & student housing.
- AB 1277 Faster approvals for student housing.
- AB 1377 Requires UC and CSU to make plan for student housing. *Signed into law*

SCHOOL EMPLOYEES

- AB 306 Housing for K-12 and community college staff to be reviewed by local building department instead of state. *Signed into law*
- AB 780 Allows housing for school employees to exceed local zoning.

HOMELESSNESS

- AB 258 Low barrier shelters.
- SB 344 Funding for pet facilities, food, & health.
- AB 362 Shelter health & safety standards.
- AB 816 Prioritize federal housing funds to serving those who are homeless.
- AB 1000 Ban discrimination based on housing status.
- AB 1372 Right to shelter.
- AB 1575 Statewide needs and gaps analysis.

ZONING

- SB 6 Housing in office/retail zones.
- SB 15 Incentives for cities to rezone retail.
- AB 115 Housing in office/retail zones.
- SB 261 Sustainable Communities Strategy for regional transportation plans.
- SB 621 Hotel conversions.
- AB 672 Conversion of golf courses.
- AB 682 Cohousing with shared kitchens.
- AB 1401 Removes minimum parking requirements near transit.
- AB 1551 Conversion of commercial space.

10-PLEXES

- SB 10 Faster rezoning of land for up to 10 homes per lot. *Signed into law*
- SB 478 Limits to minimum lot size a city can require.
- AB 1075 Allows up to 10 homes as long as building meets height, yard, etc. requirements.

WILDFIRES & EARTHQUAKES

- SB 11 Insurance coverage for buildings on farms. *SB 11 no longer applies to homes*
- SB 12 Mitigation + limits in very high hazard zones.
- SB 55 Ban on development in very high hazard zones, more height allowed elsewhere.
- SB 63 Defensible space and building hardening.
- AB 880 Loan fund for rebuilding. *Signed into law*
- AB 1329 Earthquake-resilient building code. *Signed into law*

COASTAL AREAS

- AB 500 Encourage housing near coast, especially if affordable and/or near transit.
- AB 1445 Consider climate change impact in general plans.

SKILLED & TRAINED (UNION) LABOR

- SB 7 Faster approval of projects using S&T workers. *Signed into law*
- AB 919 Reduces length of time owners can sue for construction defects from 10 years to 5 years.

PROJECT APPROVALS

- SB 8 Extends & clarifies the Housing Crisis Act of 2019, which speeds up approvals. *Signed into law*
- SB 37 Limits project streamlining on hazard sites.
- AB 59 Reforms impact fee process to reduce delay.

REDUCING PERMIT FEES

- AB 571 Exempts inclusionary units from fees. *Signed into law*
- AB 602 Requires fees to be based on size of building rather than number of units.
- SB 695 Limits infrastructure & park impact fees to actual cost of serving the new residents.

GENERAL PLAN HOUSING ELEMENTS

- AB 215 More public oversight of where cities claim housing will be built. *Signed into law*
- AB 617 Allow cities that don't zone for enough housing to pay other cities to do it for them.
- SB 809 Allows multi-city regional agreements to meet housing goals.
- AB 1304 Affirmatively Furthering Fair Housing. *Signed into law*
- AB 1322 Allows cities to rezone to meet state housing laws even if local charter prevents it.
- AB 1486 Streamlines the approval of housing elements.

ANTI-DISCRIMINATION

- SB 238 Makes political affiliation a protected class.
- SB 263 Implicit bias training for real estate agents.
- AB 948 Ban on appraisal discrimination, also requires cultural competency training.
- AB 1466 Allows discriminatory language on deed and covenant documents to be removed.

YOUTH

- Funding for youth housing added to May budget. *Signed into law*
- SB 234 Homes for youth age 12-26.
- AB 413 Homes for former foster youth age 18-24.
- SB 591 Allows some caregivers & age 18-24 youth to live in senior housing.

TENANT PROTECTIONS

- SB 60 Bigger fines for illegal short term rentals. *Signed into law*
- SB 64 COVID relief for mobile home residents.
- AB 838 Requires cities and counties to investigate substandard building complaints. *Signed into law*
- AB 854 Limits on when the Ellis Act can be used to close an apartment building and evict everyone.
- AB 978 Rent cap + eviction protections for mobile homes. *Signed into law*
- AB 1360 Requires cities to ensure that people in Project Roomkey/Homekey don't return to homelessness.
- AB 1407 Legal assistance for eviction defense. *Vetoed*

more details at tinyurl.com/2021housingbills

CC-BY Alfred Twu, mail@firstcultural.com

Special thanks to Roan Kattouf for research

Contact your representatives @ findyourep.legislature.ca.gov

New Housing Laws

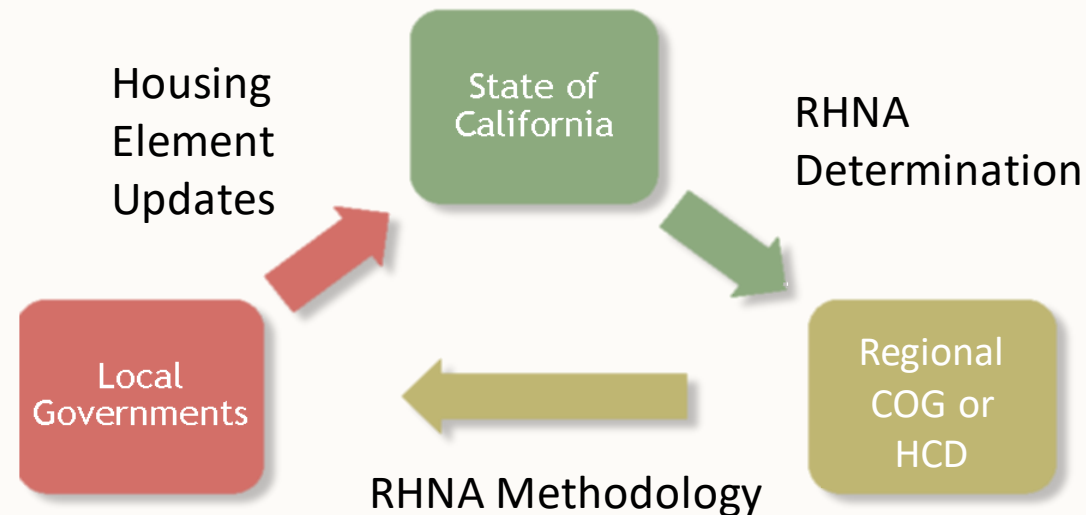
- Accessory Dwelling Units and Junior Accessory Dwelling Units
- Two housing units and ministerial lot splits in single family zone (aka SB 9)
- Affirmatively Furthering Fair Housing
- Emergency and Transitional Housing Act of 2019
- By-Right Permanent Supportive Housing Developments
- Evacuation Routes and Safety Element Update to Address Adaptation and Resiliency
- Replacement Housing for Housing Element Inventory Sites
- Ministerial Streamlined Approval Process for Affordable Housing Developments (aka SB 35)
- Surplus Land Act Amendments

Regional Housing Needs Allocation (RHNA)



What is RHNA?

- The projection of the housing needs for all income levels in the county/city for the next eight years
- Prepared by the Department of Housing and Community Development (HCD)
- 6th cycle: units approved, permitted, or built Feb. 15, 2023 – Feb. 15, 2031.



City of Mt. Shasta 2 units

Income Category

Jurisdiction	Very-Low	Low	Moderate	Above Moderate	Total
Unincorporated Siskiyou County	1	1	0	0	2
Mt. Shasta	1	1	0	0	2
All Other Cities	8	8	0	0	16
Total	10	10	0	0	20

Lower Income Categories

RHNA Change Since Last Update

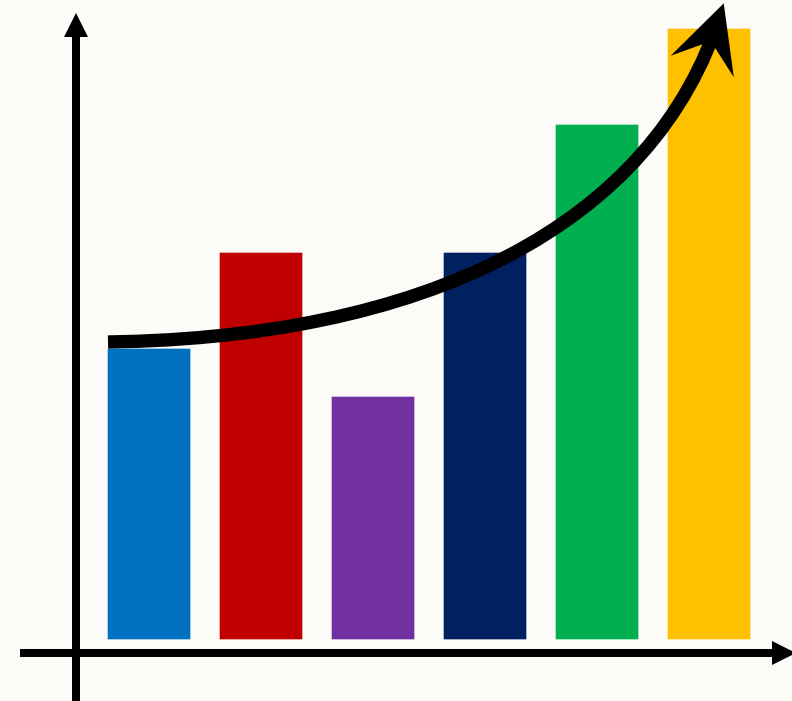
Cycle	Lower		Moderate	Above Moderate	Total RHNA
	Very Low	Low			
5 th Cycle	11	7	8	19	45
6 th Cycle	1	1	0	0	2
Change	-10	-6	-8	-19	-43

Cycle	Lower		Moderate	Above Moderate
	Very Low	Low		
5 th Cycle	24.4%	16.1%	17.7%	42%
6 th Cycle	50.0%	50.0%	0%	0%

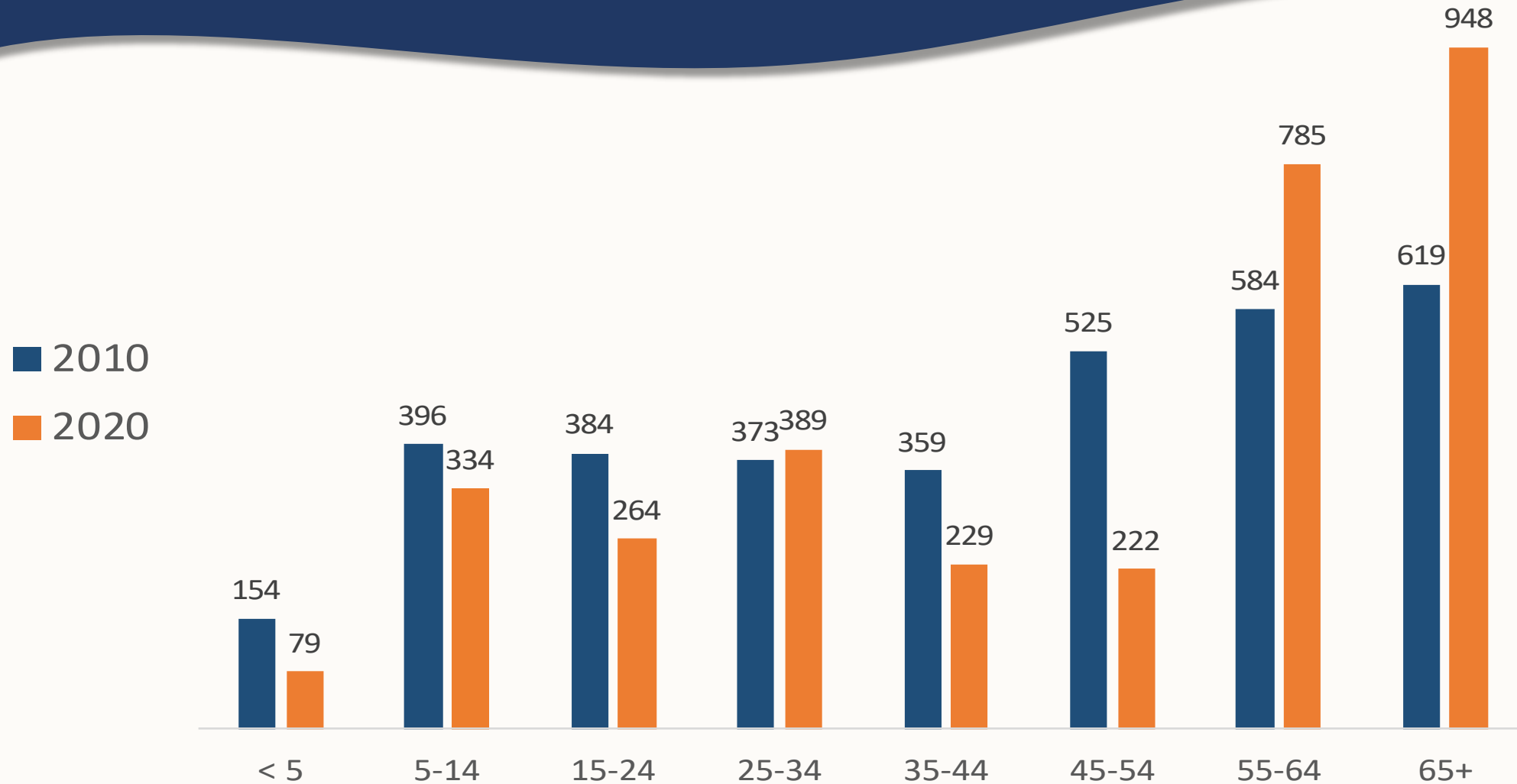
Initial Housing Needs Assessment

Housing Needs Assessment

- Identifies housing needs and includes:
 - Population Trends
 - Household Income
 - Special Needs
 - Housing Characteristics and Conditions
 - Cost of Housing
 - Housing Constraints
 - Housing Resources and Opportunities



Population by Age Groups

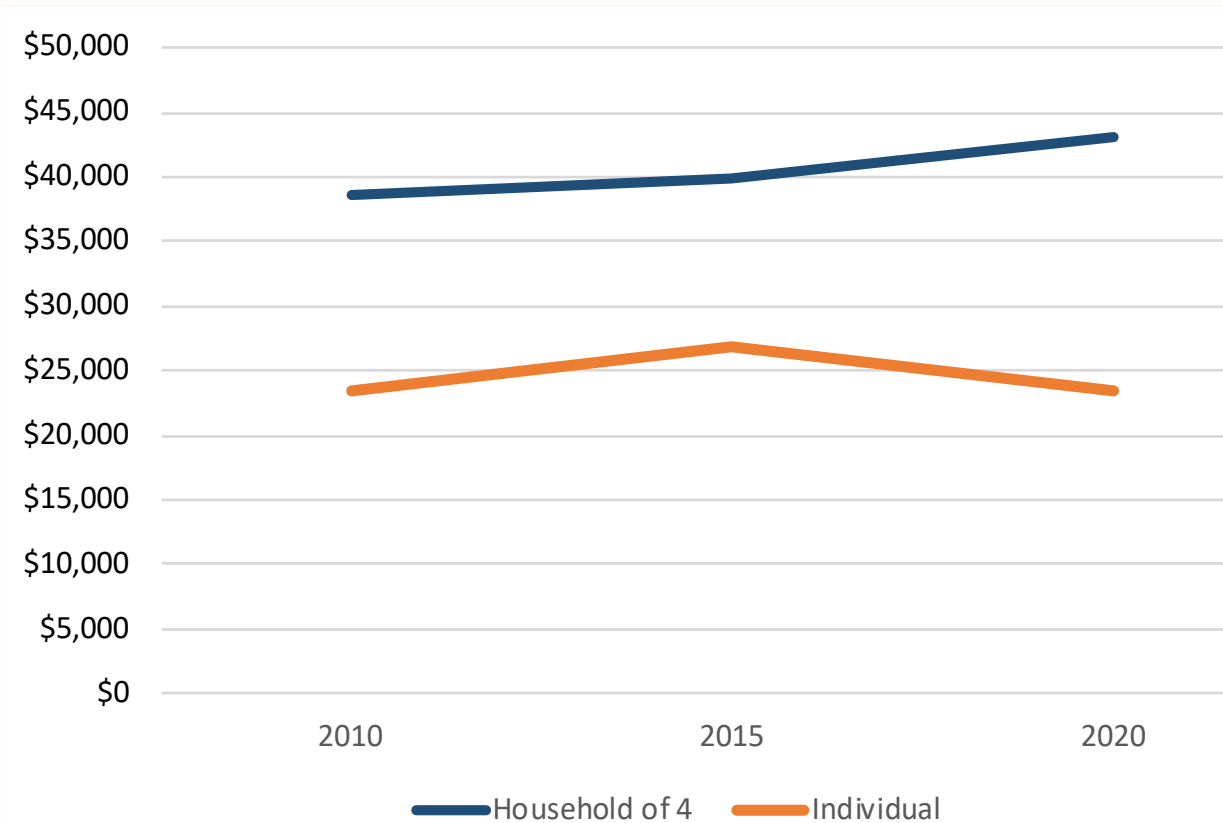


Population Changes, 2000-2020

Year	Population
2000	3,621
2010	3,394
2020	3,244
% Change	-0.12

Year	Population
2010	3,394
2011	3,385
2012	3,384
2013	3,378
2014	3,377
2015	3,385
2016	3,381
2017	3,382
2018	3,397
2019	3,407
2020	3,244
% Change	-0.05

Median Income: \$48,200*



Income Group	Income	Households	Percentage
Extremely Low (Below 30% of Median Income)	<\$25,100	405	24%
Very Low (30–50% of Median Income)	\$25,100 - \$29,850	245	14%
Low (50–80% of Median Income)	\$29,850 - \$47,750	215	13%
Moderate (80–120% of Median Income)	\$47,750 - \$57,840	135	8%
Above Moderate (> 120% of Median Income)	\$57,840 or greater	710	42%
Total Households		1,710	100%

* 2018 HUD Area Median Income for a household of four

Employment by Industry

	Estimate	Percent	Median Income*
Educational services, and health care and social assistance	510	35.0%	\$39,792
Professional, scientific, and management, and administrative and waste management services	257	17.6%	\$28,194
Arts, entertainment, and recreation, and accommodation and food services	184	12.6%	\$12,422
Retail trade	159	10.9%	\$20,076
Finance and insurance, and real estate and rental and leasing	92	6.3%	\$30,455
Agriculture, forestry, fishing and hunting, and mining	66	4.5%	\$39,250
Information	59	4.0%	\$46,406
Manufacturing	49	3.4%	\$32,734
Wholesale trade	24	1.6%	\$28,988
Other services, except public administration	23	1.6%	\$24,450
Transportation and warehousing, and utilities	21	1.4%	\$86,250
Public administration	13	0.9%	\$52,167
Construction	0	0.0%	\$38,125
Civilian Employed Population 16 Years and Over	1,457	100.0%	

* The median income data is for the North Valley region, the other data is specific to Mt. Shasta.

Housing Costs: Median Sales Price

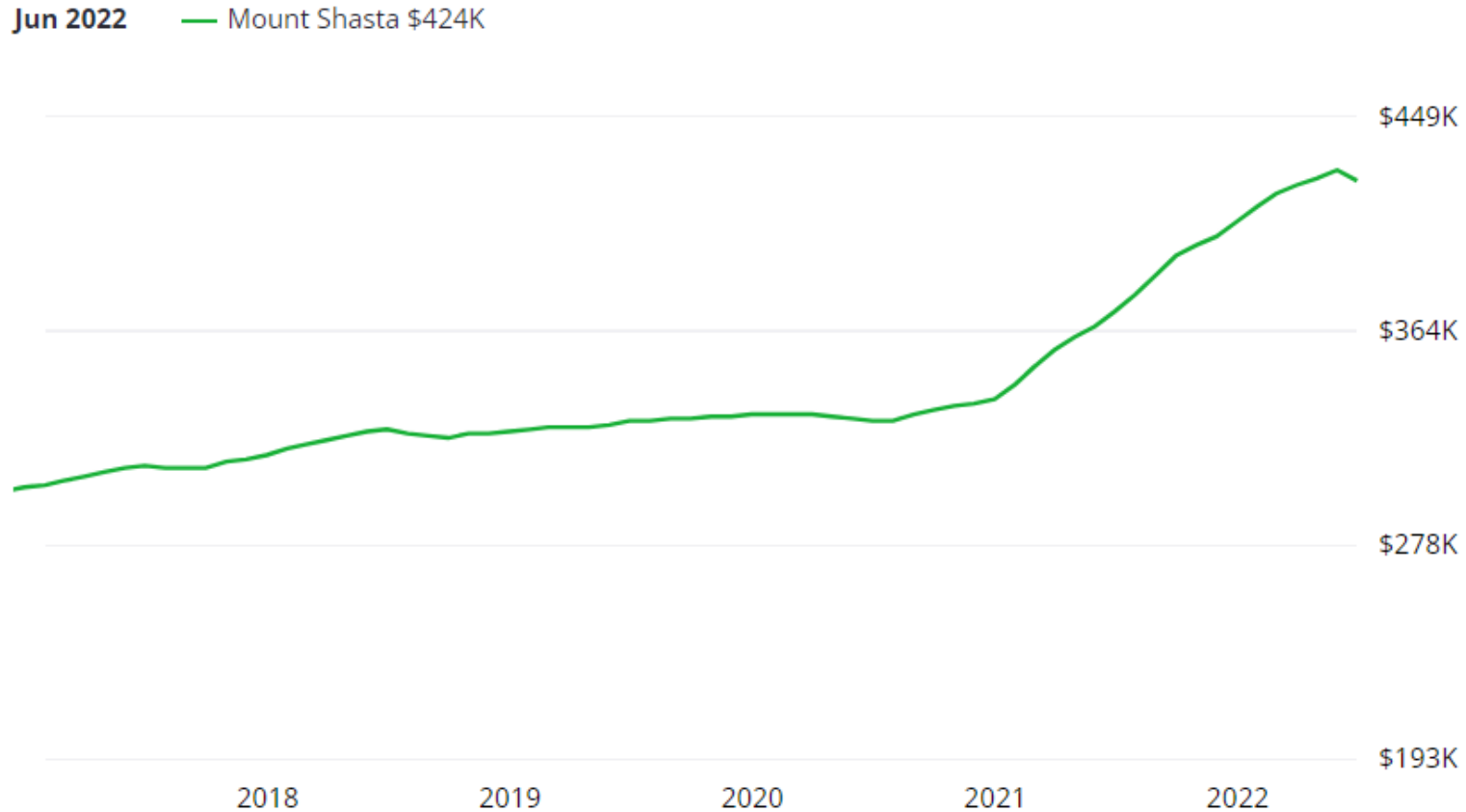
	June 2020	June 2021	June 2022	Approx. Income Needed to Afford Median Priced Home¹
Siskiyou County	\$213,500	\$300,000	\$390,500	\$85,000

¹ Monthly PITI calculated on the assumptions of 20% down payment, interest rate of 4.99% as per FreddieMac on Aug. 8, 2022, property taxes are 1% of median price, and insurance is 0.38% of median price, and loan applicants have excellent credit scores. Assumes monthly PITI cannot exceed 30% of the household's gross income.

Sources: California Association of Realtor's methodology for the Traditional Housing Affordability Index, and www.mortgagecalculator.org.

Housing Costs

Median Home Value 2018-2022

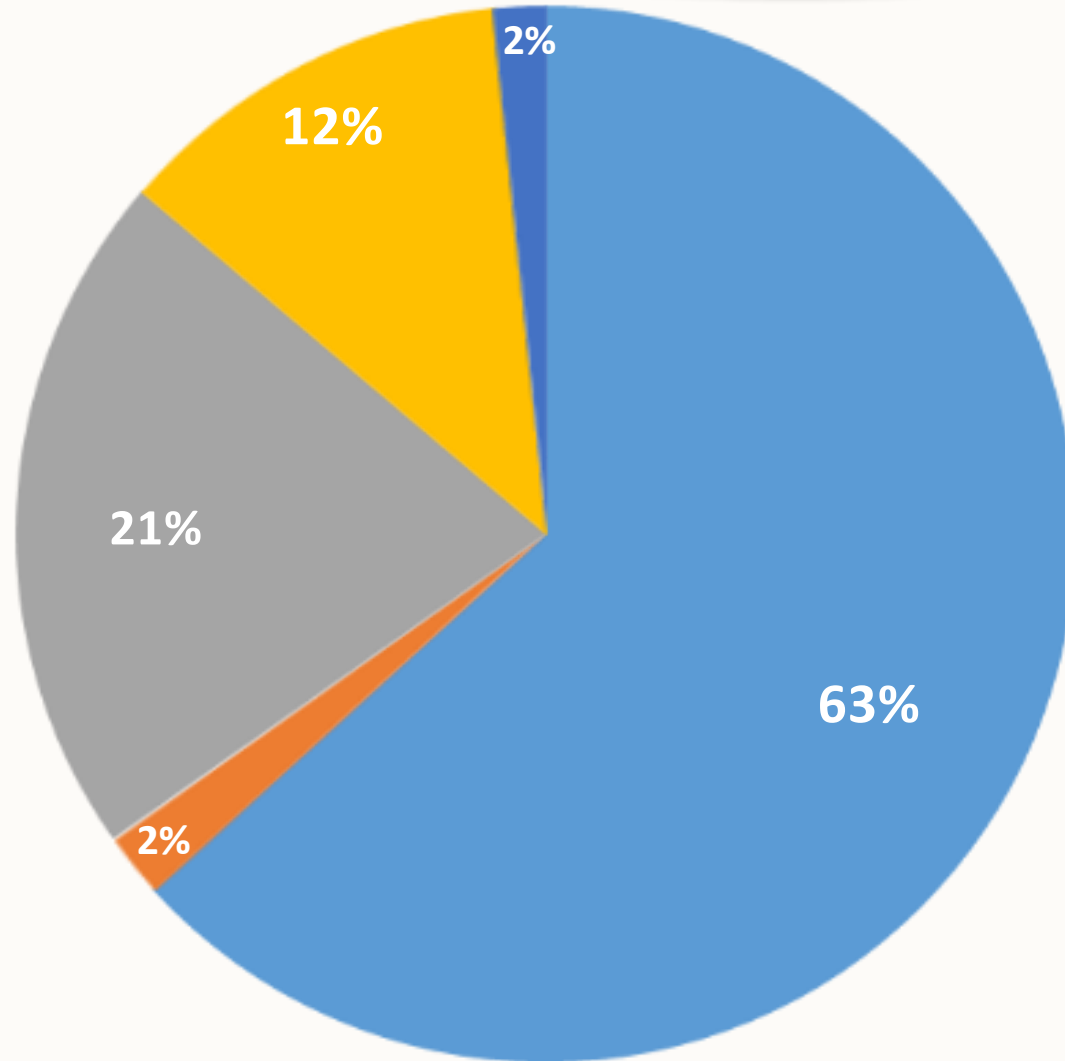


Cost Burdened Households:

- Approx. 53% Total households
- Approx. 79% Low Income households

Source: Zillow.com (data through June 30, 2022)

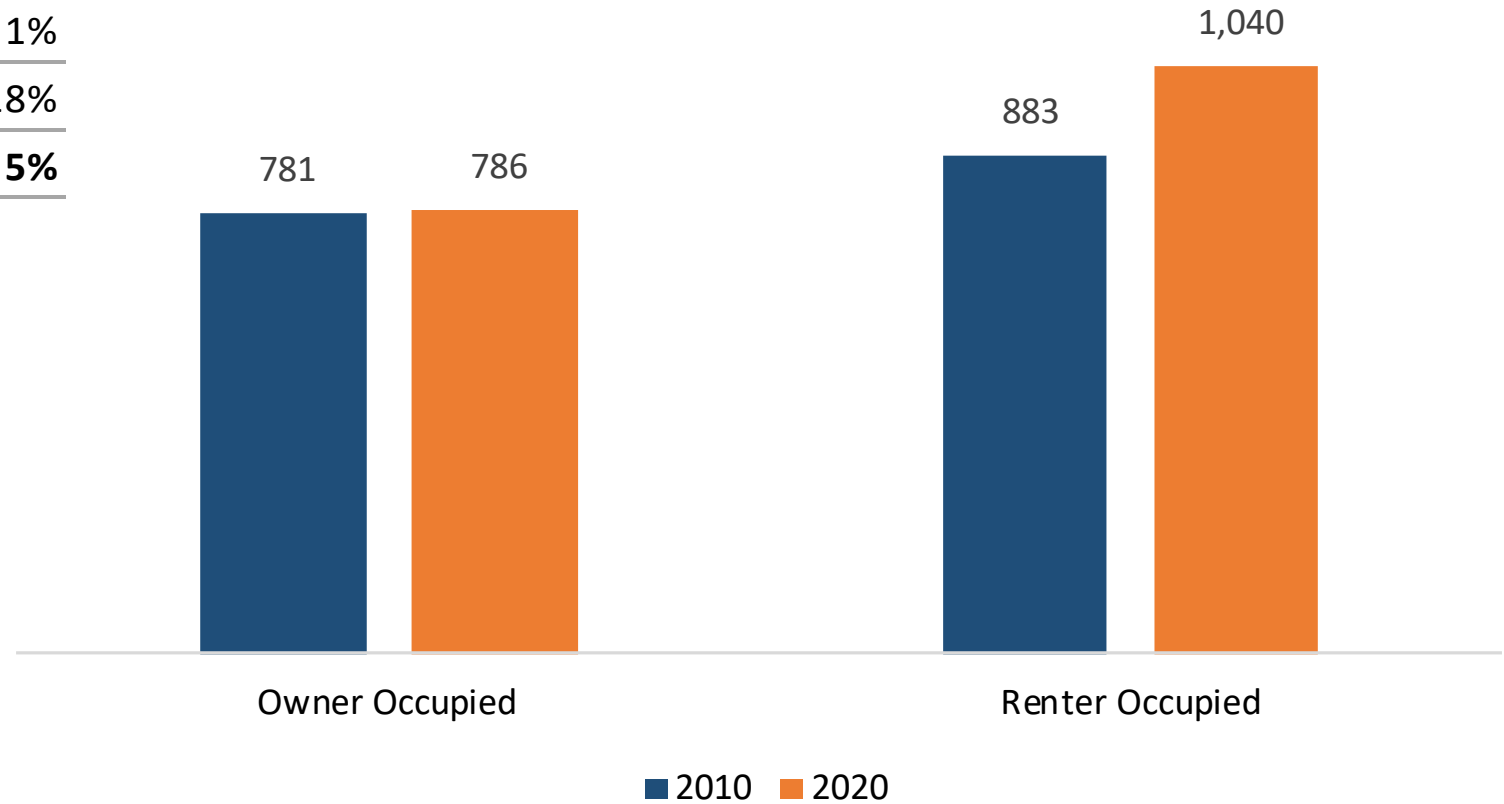
Existing Housing Unit Mix



Single Family, Detached	1,206	63%
Single Family, Attached	37	2%
2-4 units	400	21%
5 or more	233	12%
Mobile Homes	30	2%
Total	1,906	100%

Tenure of Housing Units

Tenure	2010	2020	% Change
Owner Occupied	781	786	1%
Renter Occupied	883	1,040	18%
Total Units	3,674	3,846	5%



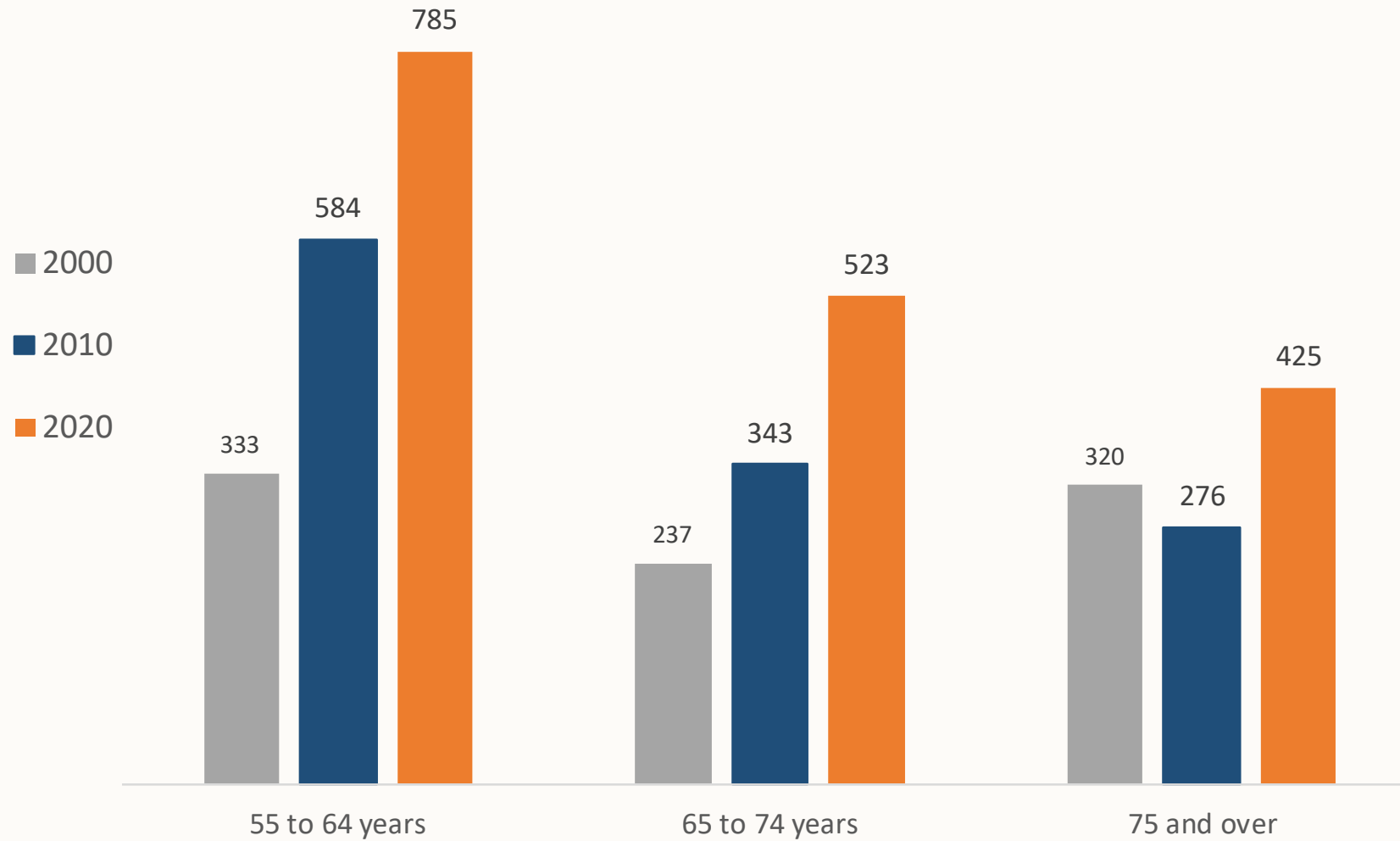
Vacancy

Occupancy	2010		2020	
Total Occupied (# of Households)	1,664	87.81%	1,662	87.20%
Total Vacant	231	12.19%	244	12.80%
Total Housing Units	1,895	100%	1,906	100%

Note: Percentages may not add up to 100 percent due to rounding.

Source: 2010 and 2020 U.S. Census, H1

Initial Needs Assessment: Senior Population



Initial Needs Assessment

Homelessness

Age	Total Persons	Percentage
Under 5 years	19	8%
5-12 years	117	55%
13-17 years	12	6%
18-24 years	19	8%
25-34 years	26	12%
35-44 years	37	17%
45-54 years	21	10%
55-61 years	22	10%
61+ years	36	17%

Siskiyou County



Total Sheltered Homeless in Siskiyou County: =214

The sheltered homeless count in Siskiyou County represents 27% of the total sheltered homeless count in the NorCal CoC Region

Additional Demographics	Total Persons	Percentage
Chronically Homeless	18	8%
Veteran	16	7%
Domestic Violence Survivor Families	12	6%
Chronic Health Condition	22	10%
Mental Disability	33	15%
Physical Disability	46	21%
Developmental Disability	27	13%
	4	2%

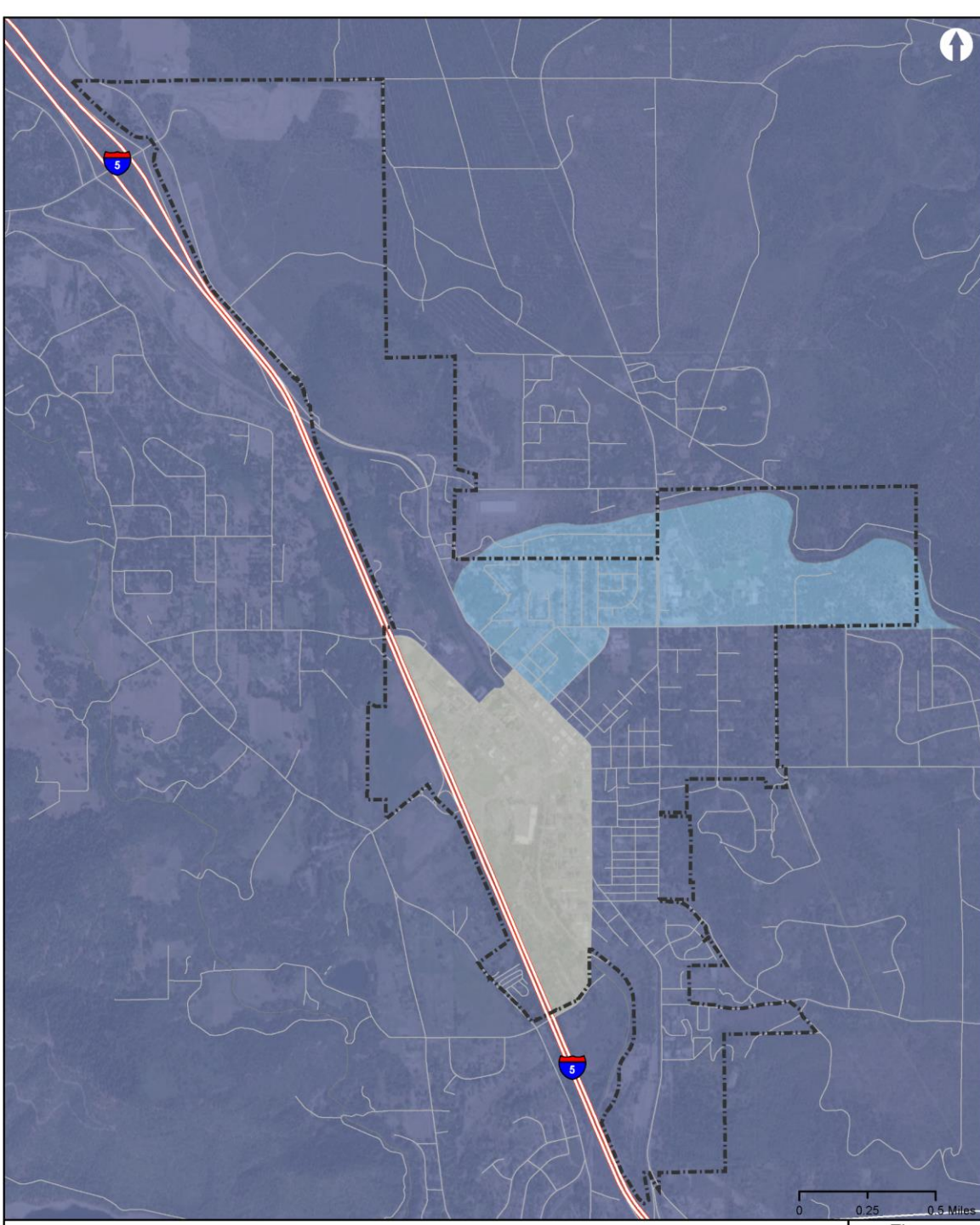
How Do We Meet Housing Needs?



A range of approaches, which could include:

- Reduce constraints to housing production, including allowing a variety of housing types
- Provide support to property owners and professional developers who want to add housing to their property
- Support workforce housing development
- Update regulations to meet State requirements
- Identify additional housing sites
- Rezone sites for higher density residential uses
- Increase maximum permitted residential densities

Areas of Opportunity

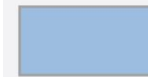


City of Mount Shasta

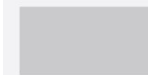
TCAC Opportunity Areas 2020 - Composite Score (Block Group)



Highest Resource



High Resource



Missing/Insufficient Data

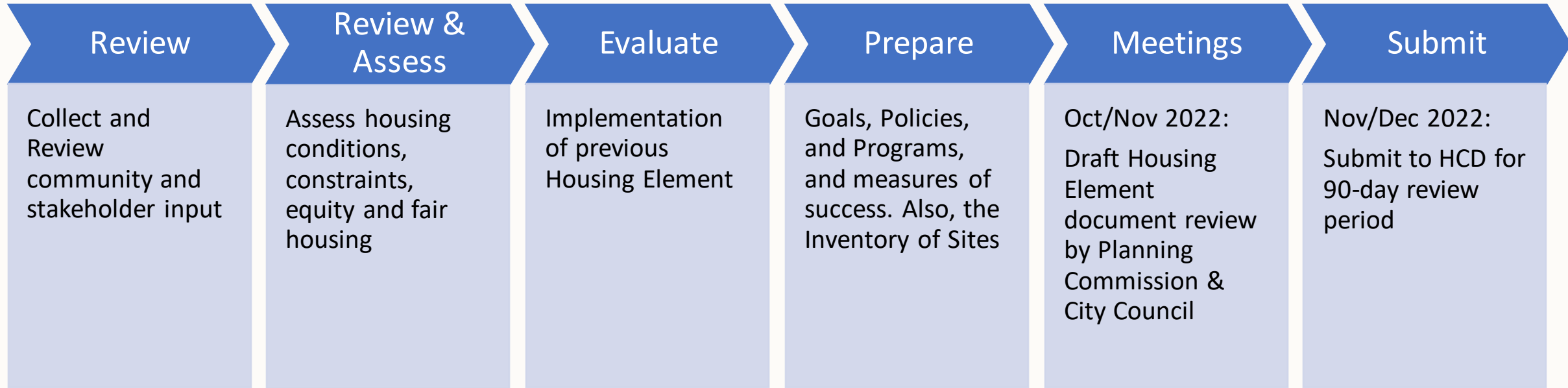
Community Engagement and Next Steps



Engagement Events & Outreach

- Community Workshop
- Stakeholder Outreach
- Planning Commission/ City Council Review
- Planning Commission Public Hearing
- City Council Public Hearing for Adoption

Next Steps





Questions

and

Discussion

Tonight's Discussion

- What are major housing issues and concerns?
- What should be the City's priorities when addressing housing issues and concerns?

Thank You!