

CITY OF HEALDSBURG CITY MANAGER'S OFFICE

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May 2, 2023

Paul McDougall, Senior Program Manager Department of Housing and Community Development, Division of Housing Policy Development 2020 W. El Camino, Suite 500 Sacramento, CA 95833

Subject: Transmittal of the City of Healdsburg's Adopted 6th Cycle Housing Element

Last night, the City Council unanimously adopted the attached 6th Cycle Housing Element, consistent with the recommendation from the Housing Element Working Group and the Planning Commission. The Adopted Housing Element reflects changes made in response to the written comments received on February 13, 2023, and the consulting team's discussion with Fidel Herrera and Mashal Ayobi on March 8, 2023. Attached to this transmittal letter is a summary of the comments received from HCD and a summary of the City's responses, along with page number references.

Since submitting the Revised Draft Housing Element in February, the number of entitled units that can be credited towards RHNA increased, as did the number of projected ADUs after reflecting 2022 data, for a total increase from 968 units to 981 units. All of the units that are being credited as part of Pending, Approved, and Permitted projects are entitled, and, therefore, the City is not submitting an electronic site inventory. Each project is described in the narrative of the Housing Element.

Among other changes, there is now a more substantial summary of Meaningful Actions to Affirmatively Further Fair Housing (page 72 and 73), and the connections between the Housing Element document and accompanying Technical Background Report are strengthened by incorporating local knowledge and newly available data from the AFFH Data Viewer 2.0. Each program was revised to include more specific implementation timelines, objectives, and a geography of focus as appropriate to support place-based strategies for fair housing. HCD's Adequate Alternative Sites checklists are included in Appendix G (added) for both the Scattered Sites project and the L&M Village project and additional narrative is added to the Housing Element as well.

The City is committed to working with the California Department of Housing and Community Development to ensure that the Housing Element obtains certification to maintain eligibility for grant funding programs, to ensure the legal adequacy of the General Plan, and to preserve local control of land use decisions. The initial draft Housing Element was made available for the mandatory 30-day review period beginning on September 30, 2022, and ending on October 30, 2022. Public comments were incorporated in compliance with the requirements of Government Code Section 65585(b)(1). The Adoption draft was posted on April 6, 2023, in keeping with the City's noticing requirements for the Planning Commission meeting and allowing for 25 days

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of public review prior to the final adoption hearing. Interested parties were sent a bilingual notification prior to the adoption hearings.

Thank you for your efforts to ensure that every Californian has a decent place to live. Please do not hesitate to contact any member of our team with any questions you may have regarding the adopted Housing Element. Scott Duiven and Stephen Sotomayor are the primary contacts for the City. Walter Kieser (wkieser@epsys.com | 510.612.8665) and Ashleigh Kanat (akanat@epsys.com | 510.626.8384) of Economic & Planning Systems are the primary contacts for the consultant team.

The resolution adopted by the City Council allows for non-substantive changes to be made at the staff level if needed to bring the Housing Element into substantial compliance with State law. We look forward to your review and certification.

Sincerely,

Scott Duiven Community Development Director sduiven@Healdsburg.gov | 707.431.3482

1 hur Stephen Sotomayo **Housing Director**

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Cc: Griselda Villarreal, Administrative Analyst, City of Healdsburg Walter Kieser and Ashleigh Kanat, Economic & Planning Systems (EPS) Jane Riley and Luke Lindenbusch, 4LEAF, Inc.

HCD INITIAL DRAFT COMMENTS AND CITY RESPONSE IN THE ADOPTED ELEMENT

#	HCD COMMENT (Letter dated 2/13/23)	CITY RESPONSE
	A. HOUSING NEEDS, RESOURCES, AND	
	CONSTRAINTS	
	Affirmatively further[ing] fair housing in accordance with Chap	oter 15 (commencing with Section 8899 50) of Division 1 of
	Title 2shall include an assessment of fair housing in the juris	
A1	Disparities in Access to Opportunity: While the element includes some information of disparities in access to opportunity across all four subcategories (education, transportation, economic, and environment), it should also compare concentrations of protected groups with access to transportation options, analyze combined housing and transportation cost impacts on protected groups and evaluate employment trends by protected groups.	The Technical Background Report (TBR p. 93-106) has been revised to strengthen analysis of Disparities in Access to Opportunity in the broader Affirmatively Furthering Fair Housing segment (AFFH, Section 4.5). <i>Transportation</i> (TBR p. 97-100) - Data added relating to vehicle ownership among the City's workforce, SMART light rail development timeframes, Healdsburg Avenue complete streets project, and the City's revived bike share program. <i>Economic</i> (TBR p. 100-106) - Added income data added, information on the City's vehicle miles traveled (VMT), which is the lowest in the County along with vehicle commute times; local context added on regional farmworker housing need. Figure 26 refers to information from the AFFH Data Viewer 2.0 to quantify jobs with 45 minutes on transit in the City's block groups. <i>Education</i> (TBR p. 94-95) - Analysis strengthened with local knowledge of district conditions, including the recent charter school merger. Added declining enrollment analysis in connection to Contributing Factors. Analysis comparing grad rates of regional high schools, and more data on degree attainment.

A1	Local Data and Knowledge, and Other Relevant Factors: The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. For instance, the element should analyze historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.	The Housing Element process relied on a variety of local perspectives including City Planning, Building, and Housing Departments and local stakeholders involved throughout the formation of the document. Local data and knowledge has been integrated into the Adoption Draft (throughout the Housing Element & Technical Background Report).
A1	<u>Contributing Factors</u> : The element must list and prioritize contributing factors to fair housing issues. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. The element includes Table 32: Fair Housing Issues, Contributing Factors, and Programs & Actions on pg. 114; however, it should address more than one fair housing issue. Examples include community opposition to affordable housing, housing discrimination, land use and zoning laws, lack of regional cooperation, location and type or lack of affordable housing and lack of public or private investment in areas of opportunity or affordable housing choices. The analysis shall result in strategic approaches to inform and connect goals and actions to mitigate contributing factors to affordable housing.	Contributing factors connected throughout the additions to the TBR, with analysis connected to the Contributing Factors. Programs added and revised to reflect changes to Section 2 (Table 33, TBR p. 119).
	Include an analysis and documentation of household character pay, housing characteristics, including overcrowding, and house	using stock condition. (Gov. Code, § 65583, subd. (a)(2).)
A2	<u>Housing Conditions</u> : While the element provides information on substandard conditions based on ACS data, the element should supplement this information with local	The City estimated 75 homes in need of rehabilitation and 0 in need of replacement (TBR pg. 114).

	estimates (code enforcement department) of units in need of rehabilitation (repair) and those in need of replacement (demolition). An inventory of land suitable and available for residential dev and demonstrated potential for redevelopment during the pla designated income level, and an analysis of the relationship of (Gov. Code, § 65583, subd. (a)(3).)	anning period to meet the locality's housing need for a
A3	Adequate Sites Alternatives: Please note, under limited circumstances, a local government may credit up to 25 percent of their adequate sites requirement per income category through existing units. The element must clarify if the L&M Village meets the Adequate Sites Program Alternative Checklist per Government Code 65583.1(c)(2)(D). In addition, the element should clarify how the Scattered Sites Project meet the Adequate Sites Program Alternative per Government Code section 65583.1(c). Lastly, the element should update the status of the L& M Village and Scattered Sites Projects which had an anticipated occupancy date of August 2022 and Summer 2022. Please see the checklist at https://www.hcd.ca.gov/community-development/building- blocks/site-inventory-analysis/adequate-sites- alternatives/docs/adequate_site_alt_checklist.pdf.	The Housing Element has been updated to reflect dates of occupancy and committed assistance. The Alternative Adequate Sites Checklist is included as Appendix G.
A3	<u>Electronic Sites Inventory</u> : For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at https://www.hcd.ca.gov/planning-and- community-development/housing-elements for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.	All of the units that are being credited as part of Pending, Approved, and Permitted projects are entitled, and, therefore, the City is not submitting an electronic site inventory. Each project is described in the narrative of the Housing Element, and details are included in Appendix F.

A3	Zoning for a Variety of Housing Types (Emergency Shelters): Please be aware Chapter 654, Statutes of 2022 (AB 2339), adds specificity on how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. Future submittals of the housing element may need to address these statutory requirements. For additional information and timing requirements, please see HCD's memo at https://www.hcd.ca.gov/sites/default/files/docs/planning- and-community/ab2339-notice.pdf.	Program 4.2 (Adopt Development Code Amendments) modified to ensure consistency with State parking and development standards for emergency shelters.
	An analysis of potential and actual governmental constraints of housing for all income levels, including the types of housing in with disabilities as identified in the analysis pursuant to parag their enforcement, site improvements, fees and other exaction procedures (Gov. Code, § 65583, subd. (a)(5).)	dentified in paragraph (1) of subdivision (c), and for persons raph (7), including land use controls, building codes and
A4	<u>Growth Control</u> : The element states the City is exempted from the prohibition on growth management ordinances stipulated by SB 330, as Healdsburg is a jurisdiction in an eligible County with a voter-approved initiative prior to the year 2005. However, the element must support this statement by describing if the County also meets the "predominantly agricultural county" designation pursuant to Government Code 66300. Subdivision (b)(1)(E).	Analysis added to Section 4.4 (Governmental Constraints) to confirm the GMO was passed before 2005, and Sonoma County is a predominantly agricultural county as defined by the California Farmland Conversion Report produced by the Department of Conservation. The County has over 550,000 acres of farmland and more than 50% of the total area is agricultural.
A4	Zoning Fees and Transparency: The element must list all fees and clarify its compliance with new transparency requirements for posting all zoning and development standards, and fees for each parcel on the jurisdiction's website pursuant to Government Code section 65940.1(a)(1).	Program 7.1 (Update and Reform Development Impact Fees and Charges) includes provisions to ensure City fees are consistent with AB 602 (2021) and that transparent development impact fee schedules are available on the City's website.
	An analysis of potential and actual nongovernmental constrai housing for all income levels, including the availability of finar	ncing (Gov. Code, § 65583, subd. (a)(6).)
A5	<u>Availability of Financing</u> : The element should discuss whether housing financing, including private financing and government assistance programs, is generally available in	Table and analysis added to Disparities and Access to Opportunities (Table 26, TBR p. 101-102) to assess the

	the community. This analysis could indicate whether mortgage deficient areas or underserved groups exist in the community. The financing analysis may also identify the availability of financing from private foundations (including bank foundations) corporate sponsors, community foundations, community banks, insurance companies, pension funds, and/or local housing trust funds.	availability of FDIC-regulated brick and mortar financial institutions in Healdsburg. Pursuit and attainment of competitive State and Federal funds has been emphasized throughout the document, including CDBG, Project Homekey, and the MTC Regional Active Transportation Program.			
	Analyze any special housing needs such as elderly; persons w families; farmworkers; families with female heads of househol (Gov. Code, § 65583, subd. (a)(7).)	ith disabilities, including a developmental disability; large ds; and families and persons in need of emergency shelter.			
A6	<u>Farmworkers</u> : While the element provides an estimate on how many farmworkers live in the City, it should also provide a description of any existing resources or programs, and an assessment of unmet needs, including a description of different housing types (e.g. single-family, multifamily, group quarters) appropriate to accommodate the housing needs of permanent and seasonal farmworkers.	Information added on existing farmworker housing, including the 44-unit Harvest Grove development specifically for farmworkers and their families (TBR pg. 10). Program 8.5 (pg. 62) includes details on the City's plan to support farmworker housing throughout the planning cycle with detailed metrics and milestones on regional coordination and pursuit of funding.			
	B. HOUSING PROGRAMS				
	Include a program which sets forth a schedule of actions durin implementation, which may recognize that certain programs a programs within the planning period, that the local governme policies and achieve the goals and objectives of the Housing	are ongoing, such that there will be beneficial impacts of the ent is undertaking or intends to undertake to implement the Element. (Gov. Code, § 65583, subd. (c).)			
B1	Programs must be revised to demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines (month, year), dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. Examples of programs that should be revised with specific commitments include Programs 2.1 (Acquire Multifamily Housing), 5.1 (Continue to implement the Inclusionary	Programs have been comprehensively revised to specify deliverables, measurable metrics or objectives, definitive deadlines (month, year), dates, and/or benchmarks for implementation. These revisions include all programs directly listed.			

B1	 Housing Ordinance (IHO)), 5.3 (Incentivize Affordable Accessory Dwelling Units), 6.7 (Improve Infrastructure in Lower Resource Areas), 8.1 (Develop Extremely Low- Income Housing) and 8.3 (Provide Emergency and Transitional Housing). In addition, examples of programs that should be revised with specific commitment and geographic targeting include Programs 1.2 (Continue to Assist Affordable Housing Developers) and 8.4 (Provide Assistance to Female Head of Households). Finally, Programs 6.4 (Conduct Spanish Language Outreach) and 8.10 (Coordinate with the North Bay Regional Center) should be revised to include geographic targeting. 	Metrics, milestones, and geographic targeting have been added to programs throughout.
	Identify actions that will be taken to make sites available durin development standards and with services and facilities to acc regional housing need for each income level that could not b completed pursuant to paragraph (3) of subdivision (a) withou Government Code section 65584.09. Sites shall be identified variety of types of housing for all income levels, including mu housing for agricultural employees, supportive housing, single transitional housing. (Gov. Code, § 65583, subd. (c)(1).)	ommodate that portion of the city's or county's share of the e accommodated on sites identified in the inventory ut rezoning, and to comply with the requirements of as needed to facilitate and encourage the development of a Itifamily rental housing, factory-built housing, mobilehomes,
B2	As noted in Finding A3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.	All of the units that are being credited as part of Pending, Approved, and Permitted projects are entitled, and, therefore, the City is not submitting an electronic site inventory. Each project is described in the narrative of the Housing Element, and details are included in Appendix F.
B2	In addition, Program 8.13 (Eliminate Constraints to Emergency Shelters) states that the City will update emergency shelter parking to be consistent with SB 2. The Program should be revised to ensure consistency with Government Code section 65583, subdivision (a)(4)(A) which allows sufficient parking to accommodate all staff working in the emergency shelter, provided that the	Program 4.2 (Adopt Development Code Amendments) modified to ensure consistency with State parking and development standards for emergency shelters.

	standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone.					
	The Housing Element shall contain programs which assist in the extremely low-, very low-, low- and moderate-income househ	olds. (Gov. Code, § 65583, subd. (c)(2).)				
Β3	Program 8 (Extremely Low-Income, Homeless, and Special Needs Housing Program): While the element includes Program 8 to assist in the development of extremely low income, homeless and special needs, it should consider expanding the Program to all lower-income households. In addition, the Program should consider including other commitments such as adopting priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to lower and moderate-income households.	Housing Program 5 was renamed Developing Housing Affordable to Very Low, Low, Moderate, and Middle- Income Households (previously Developing Affordable and Middle-Income Housing) to reflect the spectrum of support for affordable housing at a variety of income level. While the City will utilize the provisions of the growth management ordinance exempting units up to 160% AMI, VLI and LI households are a high priority for the City with distinct needs from ELI households and people experiencing homelessness. The City's commitment to VLI/LI households is reflected in subprograms to streamline housing development, preserve and acquire naturally occurring affordable housing, and support housing opportunities for special needs groups.				
	Address and, where appropriate and legally possible, remove maintenance, improvement, and development of housing, in persons with disabilities (Gov. Code, § 65583, subd. (c)(3).)	e governmental and nongovernmental constraints to the				
 B4 As noted in Findings A4 and A5 the element requires complete analysis of potential governmental and nongovernmental constraints. Depending upon the r of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints. 		The Constraints analysis was partially revised to address HCD's findings. No further programmatic needs were				
B4	In addition, the element includes Program 2.5 (Measure and Consider Strategies to Mitigate Loss of Housing Stock to Second Homes) to track and report second home conversions as part of the Annual Progress Report, however the Program should also include specific actions to mitigate	Program 2.5 (pg. 48) revised to include commitment to bring a second homes action plan to City Council with action taken by the end of 2024.				

	the loss of housing to second homes within a reasonable timeframe.	
	Promote and affirmatively further fair housing opportunities a communities for all persons regardless of race, religion, sex, r or disability, and other characteristics (Gov. Code, § 65583,	narital status, ancestry, national origin, color, familial status, subd. (c)(5).)
B5	As noted in Finding A1, the element requires a complete Affirmatively Furthering Fair Housing (AFFH) analysis. The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. In addition, goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, geographic targeting, metrics or numeric targets, and milestones and, as appropriate, must address, housing mobility enhancement, new housing choices and affordability in relatively higher opportunity or income areas, place-based strategies for community revitalization and displacement protection.	Fair housing programs revised to include geographic targeting, metrics, and milestones to address housing mobility enhancement, new housing choices and affordability in relatively higher opportunity or income areas, place-based strategies for community revitalization and displacement protection.
	C. PUBLIC PARTICIPATION Local governments shall make a diligent effort to achieve pub	lic participation of all economic segments of the community
C1	The element must demonstrate diligent effort to achieve public in the development of the Housing Element, and the element The element must demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. While the element describes public outreach strategies including mailers, door-to-door canvassing, and digital media resources distributed by the City (p. 13), it should also describe the efforts to involve stakeholders and organizations that work directly with lower income residents as well as special needs groups.	

In addition to the HEWG, Appendix C references the results of the stakeholder survey on housing constraints. This engagement covered a wide range of affordable and market-rate housing providers including representatives of organizations who serve special needs groups including people experiencing homelessness.
Complete survey results have been added in full to Appendix E following the results of the Community Housing Needs & Opportunities Survey.

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City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element

<u>Appendix A.</u> Review of 2014 Housing Element and Summary of 5th Cycle Accomplishments

Appendix A. Review of 2014 Housing Element and Summary of 5th Cycle Accomplishments

Healdsburg identified a broad range of programs in its previous Housing Element, most of which were achieved successfully and many of which are ongoing because they remain useful tools in helping Healdsburg meet its housing production objectives. An evaluation of the City's progress toward achieving its 5th Cycle RHNA and its 5th Cycle programs, including lessons learned, informed the identification of new (or modified) policies and programs for this current Housing Element.

Progress in Achieving RHNA

The City was largely successful in meeting its RHNA, as shown below in **Table A.1**.

Inco	me Level	RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)	Total Remaining RHNA by Income Level
	Deed Restricted		1		12	-	-	-	-	-	-	10	18
Very Low	Non-Deed Restricted	31	-	-	-	-	-	-	-	-	-	13	
	Deed Restricted	- 24	3	1	20	-	1	2	-	-	-	07	
Low	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	27	
Madarata	Deed Restricted		2	3	-	-	1	2	-	-	-	02	
Moderate	Non-Deed Restricted	26			29	12	17	16	1	-	-	- 83	-
Above Moderate		76	39	22	16	40	13	15	-	-	-	145	-
Total RH	Total RHNA 157												
Total Units		45	26	77	52	32	35	1	-	-	268	18	

Table A.1 5 th	Cycle RHNA	Achievements
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Progress Implementing Programs

The 2023 Housing Element update is not a comprehensive "new" Housing Element, but rather an update of the 2014 Housing Element. The focus of the update process was to keep the programs that are working, remove those that have been achieved, and add new policies and programs to address changes in community needs and statutory requirements. **Table A.2** provides an evaluation of the programs from the 5th Cycle Housing Element and the City's level of success in achieving them, including a description of the program's outcome, the effectiveness of the program's accomplishments, and how the updated programs have been changed or adjusted to incorporate lessons learned in the previous cycle.

Table A.2 2014 – 2023 Housing Element Program Implementation Status

		Policy Status & Lessons Learned					
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle			
Goal	A ACCOMMODATION OF HOUSING DEVELOPMENT	Maximize opportunities for the development of a variety of the ownership and rental markets, and encourage a diverse		cipated growth, facilitate mobility within both			
H-1	Adequate Residential Land. Monitor the supply of residential land to ensure that sufficient developable land is planned and zoned for single family and multifamily residential development.	Ongoing. The City has mainted its supply of residentially- designated land adequate to accommodate RHNA. The City has not downzoned residential properties, reclassified residentially-designated property to other uses, or developed a residential site with fewer units than what is assumed for the site in the Housing Element sites inventory during the 5th Cycle.	units occupied is a 3-4 year process. So land bought in 2023 will be a project for the mid-6th Cycle, land bought past 2027 will be a 7th Cycle project.	Program is continued in 6th Cycle. See Housing Program 3: Sustaining and Expanding Housing Sites and Housing Program 4: Expanding Housing Development Capacity			
H-2	Implement the Central Healdsburg Avenue Plan. Amend the General Plan and Zoning Ordinance to incorporate the Mixed Use, Transit Residential, and Medium Density Residential land use designations envisioned in the Central Healdsburg Avenue Plan.	Completed. The plan and amendments for the CHAP area have been adopted. Staff works on a day-to-day basis responding to development inquiries and provides land development policy direction to interested parties. The Mill District project, on a 9.6 ac mixed use site within the CHAP, was under review in early 2017 and approved in early 2019. The project will include 138 market-rate, multi-family units, 40 units affordable to VL/Low and 30 "middle-income" units.		Program is modified in 6th Cycle. See Housing Program 4: Expanding Housing Development Capacity With respect to the CHAP, Staff will continue to respond to development inquiries and provides land development policy direction to interested parties.			
H-3	Annual Progress Report. Review and report annually on the implementation of Housing Element programs for the prior calendar year, and present the annual report to the City Council at a public hearing before submitting the annual report to the California Department of Housing and Community Development (HCD) and the Office of Planning and Research (OPR).	Completed. The City submits annual progress reports each year.	No notes or lessons learned.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration			
H-4	Standards for Live-Work Units. Amend the Zoning Ordinance to allow more flexibility in the development of live-work units, such as allowing residential uses in separate structures.	Completed. The Healdsburg Land Use Code includes provisions for live-work uses in zoning districts where appropriate.	No notes or lessons learned.	Program is no longer needed.			

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
Goal	B MINIMIZATION OF GOVERNMENTAL CONSTRAINTS	Minimize governmental constraints on the development of h	housing for households of all income levels.	
H-5	Maintain Adequate Staffing. Maintain City staffing and/or contracted services at levels adequate to ensure the prompt consideration of residential development applications.	Ongoing . The City analyzes staffing annually through the budget process. The City has hired staff in Planning and has hired a full-time Housing Administrator to ensure residential projects are considered by decision making bodies as soon as possible.	With the increased production of affordable housing within the City, it became clear that a single position working on housing is not sufficent to keep up with the pace of production. To addresss this, on 8/1/22, the City Council created a new Housing Department and authorized new positions to staff this Department.	The City will have additional staffing capacity
H-6	Monitor and Amend the Growth Management Ordinance. Continue to monitor the impacts of the Growth Management Ordinance (GMO) on the provision of housing to meet the city's share of the regional housing need and provide for a variety of housing types. Consider further amendments to the GMO in order to facilitate the production of multifamily and/or live-work units.	Ongoing . Three ballot measures to reform GMO conducted in past 6 years (Measure R, Measure P, Measure H.) Measures P and H passed.	Measures P and H are not particularly successful. Measure P, in particular, may need to be revisited as it is not producing units. COVID-19 increased the demand for market rate homes and, therefore, made housing even more unaffordable in Healdsburg.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration The Housing Element Work Group is going to be studying this issue in 2022/23.
Goal	C PROVISION OF AFFORDABLE HOUSING	Facilitate the provision of affordable housing for those who	live and work in Healdsburg.	
H-7	Provide City Assistance. Provide financial assistance to developers of affordable housing through land donations and long-term leases, the ongoing fee-deferral program, subsidies for City fees and on- and offsite improvements, loans, and other forms of assistance. The City shall consider its unmet regional housing needs, including those of extremely low-income households, when providing such assistance.	Ongoing . The City Council adopted revised impact fees for accessory dwelling units (ADUs). The Council action exempts units of 850 square feet or less from impact fees and assesses a fee for units from 851-1,200 square feet based upon the proportional size of the ADU to the primary unit.	beneficial to the Community, especially when the voter approved Growth Management Ordinance limits residential production. We have seen a large increase in ADU development with the recent focus on ADUs and through City programs that incentivize their development. The City will need to reevaluate its impact fee	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration and Housing Program 7: Remove Housing Constraints
			programs to comply with AB 602.	

Table A.2 2014 – 2023 Housing Element Program Implementation Status

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
H-9	Extremely Low Income Housing. Promote housing for extremely low- income households through the resources identified in Program H-7, by encouraging and supporting funding applications for developers of permanent supportive housing, and by continuing to provide for housing with supportive services, single-room occupancy housing, and shared housing in the Zoning Ordinance.	Ongoing. The City continues to partner with Reach for Home (formerly North Sonoma County Services) to provide emergency and transitional housing, rent stabilization services and temporary emergency shelter services. The City and Reach for Home, along with regional partners in north Sonoma County are working together to identify regional solutions to homelessness including increasing access to permanent supportive housing.	The City found that Acquistion and Rehab of naturally-occuring affordable housing comnined with supprotive services can provide opportunities to preserve affordable housing and provide supportive housing units that are integrated into the proejct. The City was able to create 10 units through this process. The City received a Project Homekey Award that provided the City with 22 units of interim housing for those experiencing chronic homelesness. The City conducted a by-names-list suvey of those experiencing homelessness in conjunction with a local non-profit service provider to design a system of care to meet the needs of the City. At this point the City feels that it has enough interim housing to address homelessness.	
H-10	Housing Program Administration. Contract with the Housing Land Trust of Sonoma County or another suitable organization or consulting firm if needed to administer affordable housing programs within the city.	Completed and Ongoing . The City continues to contract with the Housing Land Trust (HLT) of Sonoma County to actively monitor the existing stock of for-sale deed- restricted affordable units, provide resources and support to low-income homeowners, and to work with developers to qualify low-income families and assist them with their purchase of new for-sale deed-restricted units. The City and HLT continue its practice to conduct a bilingual outreach program and continue to prepare printed outreach materials in Spanish and provide Spanish translation services at public workshops. City staff continues to maintain a good working relationship with the staff at the Housing Land Trust, and continues to move ahead with successful placements in the units which are created and become available.	Additional homeownership models may be needed beyond HLT. The City has clearley heard form the community that more home-ownership opportutnies are needed in the City, and that not all residents desire the same product. The cost to subsidize ownership housing is large, due to high land costs. The City will view this as a priority in the next cycle.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration The HEWG will continue to study this issue and will make recommendations on homebuyer programs or programs that will address equity through ownership.
H-11	Maintain Eligibility for Funding. Participate in the Joint Powers Authority with Sonoma County and other Sonoma County jurisdictions in order to continue the City's eligibility for State and Federal funding (e.g., CDBG and HOME programs).	Ongoing. The City continues to actively participate in the JPA.	Because the City was prepared with shovel-ready projects, the City was sucessful in pursuing and receiving funding in the 5th Cycle. Going forward, the City should continue to have projects ready for funding.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of Notes & Lessons Learned		
H-12	Inclusionary Housing Program. Continue to implement the Inclusionary Housing Program. Consider revisions to the inclusionary housing requirements, including a revision to include an inclusionary housing obligation for units under 1,300 square feet, which are currently (2014) exempt, and revisions to the current fee structure to be on a per-square-foot basis.	Completed . The City's Inclusionary Housing Ordinance was revised in 2019 requires on-site construction. The city updated the IHO to better reflect the needs of the community.	Beyond the IHO, new hotel development has also been required to include AH. The City will continue to review its IHO to determine if an exemption for units under 850 sq ft should be exempted as they were origionally thought to produce affordability by design, however, rising land costs have indicated otherwise. The City will continue to monitor and amend as necessary.	Program is modified and continued in 6th Cycle. See Housing Program 5: Affordable and Middle-Income Housing Development
H-13	Workforce Housing Linkage Fee. Conduct a jobs/housing nexus study to analyze and document the link between non-residential development and the housing demand that it creates. The study shall analyze thresholds of significance, standards, and different criteria for the various types of employment uses that attract lower-wage jobs to the city. Based on the findings of the study, the City shall consider adopting an appropriate Workforce Housing Linkage Fee.	Not Completed . The City Council charged the Community Housing Committee with reviewing funding options, including a commercial linkage fee, to increase funds available for affordable housing. The CHC completed this work in early 2018. The City Council also directed study of a hotel inclusionary program which was later deemed not to be in the best interest of the City. The City already completed an affordable housing funding plan in 2019.	•	Program is no longer needed.
H-14	Affordable Secondary Dwelling Unit Incentive Program. Develop an affordable secondary dwelling unit incentive program to encourage property owners to deed restrict secondary dwelling units as affordable rental housing for lower- or moderateincome households. As part of the program, the City shall establish long-term affordability requirements and a monitoring program to ensure the long-term affordability is maintained. The City shall impose a small monitoring fee to cover program costs. Incentives may include but are not limited to: An increase in the maximum allowed size of second units; A reduction in the minimum lot size on which second units are allowed; Reduced setbacks and/or other property development standards; and/or Permit and development fee modifications.	Ongoing . The City continues to work with property owners who inquire about accessory dwelling units, and applicable regulations. The City provides a "One-Stop" inquiry service where applicants and owners wishing to pursue possible development of an accessory dwelling unit have an opportunity to review planning, building and utility issues prior to making a formal submittal. In 2016 the City Council adopted revisions to the Secondary Dwelling Unit Ordinance (now established as Accessory Dwelling Unit Ordinance) to reduce regulatory barriers and encourage further development (CC Ord. 1159). In early 2017 the City reviewed and reduced the impact fees for accessory dwelling units. The City Council adopted revised impact fees for accessory dwelling units (ADUs), which are small independent living units of 850 square feet or less from impact fees and assesses a fee for units from 851-1,200 square feet based upon the proportional size of the ADU to the primary units.	do provide housing stock in a limited market, so in this way, they are beneficial. The City also learned that a combined marketing campaign and incentives increased ADU production significantly. The City should apply the marketing strategy used for ADUs towards infill development generally (duplexes, triplexes, and fourplex infill development).	Program is modified and continued in 6th Cycle. See Housing Program 5: Affordable and Middle-Income Housing Development

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
H-15	Provide Information on Secondary Dwelling Units. Promote the development of second dwelling units by preparing and distributing an informational brochure on the permitting procedures and other requirements for building secondary dwelling units in the city.	Ongoing. The City continues to work with property owners who inquire about accessory dwelling units, and applicable regulations. The City provides a "One-Stop" inquiry service where applicants and owners wishing to pursue possible development of an accessory dwelling unit have an opportunity to review planning, building and utility issues prior to making a formal submittal. In 2016 the City Council adopted revisions to the Secondary Dwelling Unit Ordinance (now established as Accessory Dwelling Unit Ordinance) to reduce regulatory barriers and encourage further development (CC Ord. 1159).		Program is continued in 6th Cycle and modified to include other legislative opportunities. See Housing Program 3: Sustaining and Expanding Housing Sites
H-16	Saggio Hills Affordable Housing. Develop the Saggio Hills affordable housing site with a range of housing types and target income groups. Necessary steps to its development include preparation of an analysis to determine the housing needs and preferences of potential future residents, preparation of a site master plan based on a community planning process and any necessary environmental documents, review through the City entitlement process and partnering with one or more developers.	In Progress. The City Council adopted a resolution authorizing the City Manager to execute an Exlcusive Negotiating Agreement (ENA) with Freebird Development Company for the development of the 14-acre Saggio Hills affordable housing site. This action followed the City's issuance of a Request for Qualifications for the development of the site.	The City recognizes that land banking can provide a powerful tool in future housing development and it is in the best interst of the City to maintain an available land supply. Land banking and then issuing an RFP is a great way to attract high-quality development and leverage the cost of the land.	included in the 6th Cycle. See Housing Program 3: Sustaining and
H-17	Meetings with the Development Community. Conduct annual meetings with the development community to publicize available incentives and housing programs, such as the density bonus ordinance, small subdivision ordinance, and Growth Management Ordinance exemptions.	Ongoing. The City routinely meets with developers to discuss projects and opportunities for including affordable housing as part of proposed projects through various incentives such as the density bonus ordinance, Growth Management Ordinance exemptions, and opportunities for including accessory dwelling units. The City is working with the developer community to create a Permit Review Manual based upon customer feedback, with the focus on streamlining the development process.	staff acts as a liason to developers and helps them through the process.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration
H-18	Legislative Advocacy for Affordable Housing. Actively advocate for the State and Federal governments to provide additional financial resources for affordable housing.	Ongoing. City staff consistently looks for opportunities to support additional federal and state funding for housing initiatives by facilitating letter writing from local, state, and federal representatives when appropriate.	The City adopted a legislative platform on affordable housing, which allows the City to be more responsive to the numerous housing bills introduced each year. The City should continue to advocate for appropriate legislation.	Cycle. See Housing Program 1: Housing

		Policy Status & Lessons Learned			
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle	
H-19	Update Density Bonus Ordinance. Update the Affordable Housing Incentives Ordinance (aka Density Bonus Ordinance) to fully comply with State law requirements for review procedures for Density Bonus applications. The City shall review the ordinance in light of recent case law and determine whether or not the Density Bonus Ordinance must be updated to allow affordable units that created pursuant to the Inclusionary Housing Ordinance, regardless of whether they are onsite or off-site, to be considered restricted affordable units for the purposes of determining whether the housing development qualifies for a density bonus. Based on the findings of the review, the City may amend the Ordinance.	Completed . The City continues to consider requests for Density Bonus awards consistent with state law, and on a case-by-case basis for individual development proposals. In 2016, the City approved Density Bonuses for two affordable housing projects: 1201 Grove Street and 1260 Grove Street. Healdsburg Glen Apartments and Citrine Apartments both began construction in 2017 and were occupied in 2018. The Mill District project requested and received a 35% density bonus in its March 2019 approval.		Program is no longer needed.	
Goal I	D PRESERVATION OF EXISTING HOUSING AND NEIGHBORHOODS	To encourage the conservation and maintenance of the exis	ting housing stock and residential neighborhoods in H	ealdsburg.	
H-20	Act as Redevelopment Successor Agency. Act as the Successor Agency and Housing Successor Agency and carry out the responsibilities and obligations of the former Redevelopment Agency.	Ongoing. The City currently acts as the Successor Agency and will continue to fill this role as needed.		Program is no longer needed.	
H-21	Monitor Affordability. Monitor long-term affordability of affordable housing projects developed with City assistance by requiring them to file an annual report to the City that demonstrates compliance with any occupancy requirements.	Ongoing . Both City staff and HLT monitor the term and pricing of affordable units which are secured as part of the Inclusionary Housing Ordinance and as secured for additional workforce housing units. The intent is to ensure the longest term possible and for the lowest prices as provided under current laws. As a part of the City's Affordable Housing Agrements, AH developers are required to report annually on project requirements. LIHTC projects also report to the State. The City imposes a 55-year deed restriction. Sonoma County HLT homes are affordable in perpituity.	The City will seek regional solutions to reduce the cost of monitoring and/or explore adopting a fee for	Administration	
1-22	Mobile Home Park Space Rent Stabilization Ordinance. Continue to enforce the terms of the Mobile Home Park Space Rent Stabilization ordinance (Municipal Code Chapter 2.56) and administer the procedures of the ordinance to ensure the continued preservation of affordability of mobile homes parks within the city.	Ongoing. The City continues to encourage adherence to the rent stabilization advisory issued in 2015 and continues to partner with Reach for Home to provide rent stabilization services to those in need.		Program is modified and continued in 6th Cycle. See Housing Program 2: Preserving Existing Housing and Neighborhoods	

Table A.2 2014 – 2023 Housing Element Program Implementation Status

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
H-23	Strengthen the Condominium Conversion Ordinance. Review and revise, as necessary, the condominium conversion ordinances (Ordinance Nos. 701 and 873) with the intent of discouraging conversion of rental units to condominiums, including mobilehome park conversions, and strengthening the tenant protection provisions. Potential tenant protections to be considered may include but are not limited to: Limitations on the number of rental units that can be converted in a calendar year; Discounts for existing tenants on the sale price of the property; Requirement for replacement units; Requirements for a certain percentage of converted condominiums be deedrestricted affordable units; Mandatory payment of a tenant relocation fee; and/or Requiring majority support by mobilehome park residents in the conversion of a mobilehome park from rental to owner-occupied.	Ongoing . The City is committed to strengthening tenant protections, while monitoring for potential condominium conversion proposals and will continue to enforce state requirements if, and when needed. The City adpoted a rental relocation ordinance in excess of State law in 2019.	This has not proven to be an issue.	Program is no longer needed.
H-24	Publicize Rehabilitation Programs. Disseminate information about available housing rehabilitation loan programs to qualifying households.	Completed. The City adopted a pilot rental unit rehabilitation loan program in order to help off-set rental unit maintenance and improvement costs, ensure the City's rental housing stock is adequately maintained and offer incentives to landlords to limit rent increases. The program was formulated in response to a survey conducted by the City which showed that for more than 90% of the units surveyed, rent increases can be attributed in part to the cost to maintain and improve rental units. The City is meeting with both tenants and landlords in the first quarter of 2019 to begin the process of exploring programs that will provide tenant protections and offer incentives to landlords that desire to upgrade their rental units and keep them affordable.		Program is no longer needed.
H-25	Code Enforcement. Continue to investigate complaints and take action concerning Code Enforcement violations to encourage rehabilitation of substandard residential properties by homeowners and landlords and improve overall housing quality and conditions in the city.	Ongoing. Code Enforcement staff typically respond to all complaints and follows up with any corrective measures.	The City from time to time will find units that do not meet code requirements. The City would benefit from an outreach campaign and a hotline for tenants to have an anonymous way to report substandard conditions. It would be good to partner regionally on this.	Cycle. See Housing Program 6: Affirmatively Furthering Fair Housing

			Policy Status & Lessons Learned		
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle	
H-26	Improve Infrastructure. Continue street, sidewalk, and other infrastructure improvements and maintenance in low- and moderate- income neighborhoods.	Ongoing. Infrastructure considerations are part of staff review for all long-range plans, development entitlements, and plan review applications. Public Works staff routinely develop CIP schedules for all infrastructure work as part of the annual budget process. The City applied for CDBG funds in 2020 to support additional infrastructure repairs.	The City was sucessful in applying for CDBG funding to plan infrastructure needs for underserved neighborhoods in qualifying census tracts.	Program is modified and continued in 6th Cycle. See Housing Program 7: Remove Housing Constraints	
H-27	Enforce Vacation Rental Prohibition. Strengthen enforcement of the City's prohibition of vacation home rentals (i.e., fewer than 30 days) in residential zoning districts in order to protect neighborhood character and ensure the housing stock is available for long-term residents.	Ongoing. Code Enforcement staff typically respond to all complaints and follows up with any corrective measures.	The City needs to look at future policies to be adaptive to this evolving maket. The City may wish to revist the fines assocated with violations of this ordinance.	Program is modified and continued in 6th Cycle. See Housing Program 2: Preserving Existing Housing and Neighborhoods	
Goal I	PROVISION OF SPECIAL NEEDS HOUSING	To provide a range of housing opportunities for Healdsburg large households, farmworkers, extremely low-income resid		ople with disabilities, single parent-households,	
H-28	Funding for Special Needs Housing. Apply for State and Federal funding for special needs housing, when available.	Ongoing . The Planning and Building Dept. typically spearheads the submittal of housing grant funding opportunities as they arise. Through the use of 4% Bonds in partnership with Burbank Housing, the City was able to renovate the Canyon Run Senior Affordable Apartments and extend their affordablity period by an additional 55 years.	Due to the size of Healdsburg, most developments are walkable to resources. The challenge is that LIHTC program guidelines deduct points for projects that are more than 1/4 mile from resources.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration	
H-29	Disabled-Access Units. Enforce Building Code requirements for the inclusion of adaptable disabled-accessible units in multifamily development projects that are subject to such requirements.	Ongoing. Building staff ensure building code requirements are met, and Code Enforcement staff typically respond to all complaints and follow up with any corrective measures.		Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing	
H-30	Emergency and Transitional Housing. Work with appropriate agencies and groups to provide temporary and transitional housing and support services for the homeless in Healdsburg.	Ongoing . The City of Healdsburg in partnership with Burbank Housing and Reach for Home applied for Project Homekey Round 2 funding to purchase the L&M motel to provide 22 units of transitional housing for those experiencing chronic homelessness. This \$7.1 million award will allow the City and its partners to open the facility by August 21, 2022.	The City is reaching the number of units necessary to achieve functional zero. Ongoing operational funding and long-term uses for these facilities should be evaluated.	Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing	

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
H-31	Farmworker Housing. Work with appropriate agencies and groups to provide housing and support services for farmworkers in Healdsburg.	Ongoing . City staff monitors farmworker housing and related program activities that affect Healdsburg and facilitates support when able. Outreach efforts also include bilingual materials and provision of translation services. The City also adopted an ordinance revising the Healdsburg Municipal Code to expand the zoning districts where employee housing for six or fewer is allowed by right and allowing for larger employee housing for 7 to 12 agricultural workers as a conditional use.	c ,	Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-32	Publicize Senior Housing Resources. Provide information to the public on resources available to seniors, including local subsidized senior housing, senior housing providers, and fair housing assistance.	Ongoing. The City provides informational resources on its website as recommended in the Housing Element. The City opened a Senior Community Center which participates and refers people to the SHARE Housing Program. This program matches housing seekers to seniors that require moderate live-in assistance.		Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-33	Countywide Homeless Survey. Participate in comprehensive surveys of the county's homeless population.	Ongoing. The City continues to cooperate and participate with the US Census as it conducts annual homeless housing surveys for the County and its cities.	The City in partnership with Reach for Home will continue to support PIT counts. However, the City utilizes a by-names-list for its planning purposes as it is far more accurate.	Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
H-34	Countywide Homeless Plan. Participate in the Sonoma County Continuum of Care update to the County's 10-Year Homeless Action Plan.	Completed. The City continues to cooperate and participate in the County's Homeless Survey and implementation of the 2014 update of the Sonoma County Continuum of Care's 10- Year Homeless Action Plan. In 2021 the City completed a North County homelessness Plan.	having two North County Representatives on the	Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-35	Development of Housing for Persons with Disabilities. Reach out annually to developers of supportive housing to encourage development of projects targeted to persons with disabilities, including developmental disabilities. Support applications for County, State, and Federal funding for housing construction and rehabilitation for persons with disabilities, including developmental disabilities.	Ongoing . The City routinely looks for opportunities for disabled housing as part of implementing its affordable housing program. Ten units are planned as a part of the Saggio Hills Project.	Vouchers to assist the developmentally disabled can help a project's financial feasibility. Need for these units is more of a countywide issue that the City should evaluate.	Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-36	Coordinate with the North Bay Regional Center. Work with the North Bay Regional Center to implement an outreach program informing residents of the housing and services available for persons with developmental disabilities. Make information available on the City website.	Ongoing. The City continues to provide information on its website.		Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-37	Incentives for disabled access. Adopt incentives for second units that are designed to be accessible for people with disabilities. Incentives may include, but are not limited to: larger maximum unit sizes, reduced setbacks, and/or reduced fees.	Completed. In 2016 the City Council adopted revisions to the Accessory Dwelling Unit Ordinance to reduce regulatory barriers and encourage further development. In 2017 the City reviewed and reduced the impact fees for all accessory dwelling units.		Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-38	Employee Housing. Amend the Zoning Ordinance to allow employee housing for six or fewer employees as a permitted use in the MU and O zones to comply with California Health and Safety Code 17000, et seq.	Completed. The City adopted an ordinance revising the City's municipal code to expand the zoning districts where employee housing for six or fewer is allowed by right and allowing for larger employee housing for 7 to 12 agricultural workers as a conditional use.		Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing
H-39	Emergency Shelters. Review and amend parking standards for emergency shelters to ensure compliance with SB 2 and mitigate potential constraints to the development of emergency shelters. As necessary, the City will conduct outreach to relevant stakeholders such as service providers.	Ongoing. The City continues to work on the city-wide parking study to ensure parking standards adhere to current law and demand.		Program is modified and continued in 6th Cycle. See Housing Program 8: Extremely Low- Income, Homeless, and Special Needs Housing

			Policy Status & Lessons Learned	
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle
Goal	F PROMOTION OF FAIR HOUSING PRACTICES	To ensure equal housing opportunities for all Healdsburg re ancestry, familial status, disability, or source of income.	sidents regardless of race, color, religion, sex, sexual o	prientation, marital status, national origin,
H-40	Disseminate Fair Housing Information. Disseminate fair housing information through posters, brochures, forms, and landlord/tenant handbooks from the State Department of Fair Employment and Housing and Fair Housing of Sonoma County in public locations.	Ongoing. The City has partnered with Fair Housing Advocates of Sonoma County to expand fair housing services in Healdsburg, act as an ombudsman assisting with tenant/landlord issues and provide education for property owners/managers and tenants. The City continues its practice to conduct a bilingual	Further study of how local preference and fair housing interact may be needed.	Program is modified and continued in 6th Cycle. See Housing Program 1: Housing Administration and Housing Program 6: Affirmatively Furthering Fair Housing
		outreach program and prepares outreach materials in Spanish including providing Spanish translation services at public meetings and workshops.		
H-41	Refer Fair Housing Complaints. Refer fair housing complaints to the State Department of Fair Employment and Housing and Fair Housing of Sonoma County.	Ongoing. City staff continues to direct citizens' complaints to both County and State resources. The City has partnered with Fair Housing Advocates of Sonoma County to expand fair housing services in Healdsburg, act as an ombudsman assisting with tenant/landlord issues and provide education for property owners/managers and tenants.	City will hire staff to help respond to and address complaints, information, and referrals to services. The City learned that additional staff is needed to make this effective.	Program is modified and continued in 6th Cycle. See Housing Program 6: Affirmatively Furthering Fair Housing
H-42	Non-Discrimination Clause and Mandatory Fair Housing. Provide nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with City subsidy, as well as mandate the implementation of fair housing practices in contracts with affordable housing developers.	Ongoing. City staff includes these clauses in all of its affordable housing agreements.		Program is modified and continued in 6th Cycle. See Housing Program 6: Affirmatively Furthering Fair Housing
H-43	Spanish Language Outreach. Conduct outreach efforts for the City's affordable housing programs in Spanish as well as English and publicize the programs through organizations representing the Hispanic community.	Ongoing. The City continues to increase outreach efforts with housing service providers, housing regulatory agencies and other resources in order to better address on-going affordability issues. The City continues its efforts to provide written materials in the Spanish language, and to also provide translation services at City-sponsored housing workshops and on an as needed basis.	that preference.	Program is modified and continued in 6th Cycle. See Housing Program 6: Affirmatively Furthering Fair Housing

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		Policy Status & Lessons Learned			
	5th Cycle Housing Element Programs	Status and Description of 5th Cycle Accomplishments	Notes & Lessons Learned (if applicable)	Implications for 6th Cycle	
Goal	G CONSERVATION OF ENERGY	To promote energy conservation in residential developmen	t and reduce greenhouse gas emissions.		
H-44	Utility Discounts for Lower-Income Households. Continue to discount the electric, water and sewer utility and storm drainage maintenance charges to lowerincome households and affordable residential projects.	Ongoing. The City continues the practice of granting utility discounts to lower-income households. In 2016, the City increased the discount on electric service to 25% and also extended the existing low income utility discounts to all affordable complexes in the City.	The City learned that those who access affordable housing, especially larger units, desire in-unit laundry. The efficiences of in-unit laundry is an issue of equity and conservation. The City will explore this further.		
H-45	Green City Program. Ensure that the designs and construction practices for new residences and additions to existing residences comply with the CalGreen.	Ongoing. City staff continues to review building permits and development proposals to ensure compliance with CalGreen standards.		Program is modified and continued in 6th Cycle. See Housing Program 9: Environmental Quality and Conservation Program	
H-46	Solar Access. Include an evaluation of consistency with Subdivision Map Act Section 66473.1 in staff reports to ensure residential subdivision applications provide for solar access.	Ongoing. City staff typically includes this analysis as part of application and entitlement review processes.		Program is modified and continued in 6th Cycle. See Housing Program 9: Environmental Quality and Conservation Program	
H-47	Energy Audit Program. Continue to provide and publicize the Energy Audit Program to homeowners and landlords.	Ongoing. The City Planning and Building Dept. continues to provide informational resources in the CDC public information area.		Program is modified and continued in 6th Cycle. See Housing Program 9: Environmental Quality and Conservation Program	
H-48	Energy Efficiency Rebate and Weatherization Programs. Continue to publicize and provide rebates for energy-efficient lighting fixtures and light bulbs, electric water heaters, air conditioners, heat pumps, appliances and photovoltaic systems; and weatherization of existing homes.	Ongoing. The City Planning and Building Dept. continues to provide informational resources in the CDC public information area.		Program is modified and continued in 6th Cycle. See Housing Program 9: Environmental Quality and Conservation Program	
H-49		Ongoing. Both pedestrian and bicycle facilities and circulation considerations are part of staff review for all long-range plans, development entitlements, and plan review applications.		Program is modified and continued in 6th Cycle. See Housing Program 7: Remove Housing Constraints and Housing Program 9: Environmental Quality and Conservation Program	

City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element Appendix B. Summary of State Legislation

HIGHLIGHTS OF NEW HOUSING LAWS SINCE THE LAST HOUSING ELEMENT

AB 72 (2017) strengthened California's 50-year-old "Housing Element law," which requires local governments to adequately plan for future housing needs at all income levels. The bill grants HCD authority to review any action or failure to act by a local government that it determines is inconsistent with an adopted Housing Element or Housing Element law. This includes failure to implement program actions included in the Housing Element. HCD may revoke Housing Element compliance if the local government's actions do not comply with State law. In addition, HCD can refer violations to the State Attorney General's Office for enforcement any time it determines that a local jurisdiction is in violation of State law for non-compliance with Housing Element law, the Housing Accountability Act, the "No Net Loss" law, the density bonus law or anti- discrimination laws. Since 2018, HCD has sent more than 250 enforcement letters to jurisdictions up and down the State. The most notorious case involving the Attorney General's office was that of Huntington Beach, which held that, for multiple reasons, the RHNA did not apply to them. The case was settled in 2020 when the City agreed to amend one of its Specific Plans to provide adequate sites to meet its RHNA obligation. In late 2021, HCD added a Housing Accountability Unit to further hold local jurisdictions accountable for their Housing Element commitments and other State laws. This illustrates why it is vitally important to achieve compliance with Housing Element Laws ("certification") and maintain local land use control.

SB 35 (2017) requires that jurisdictions that are not meeting their RHNA obligations have a "streamlined ministerial approval process" for housing developments of two or more units when 10% or 50% of project units are provided as affordable and deed restricted. "Streamlined ministerial approval process" means that officials cannot exercise discretion over a qualifying project, but can only compare it against adopted, objective design and development standards. Because Healdsburg is on track with its Above Moderate Income RHNA obligations for the current Housing Element cycle, the City is currently subject to the provisions of SB 35 at 50% affordability.

AB 1397 (2017) requires that cities zone appropriately for their share of the regional housing need, and zone for all types of housing. The new law requires strong justification when non-vacant sites are zoned to meet the housing need, especially for lower-income housing.

SB 166 (2017), the new "No Net Loss" law, requires that a City replace any site that was zoned and listed in the sites inventory for low-income housing if it ends up being developed as anything else, unless the City can make findings that enough additional sites that are adequately zoned remain to allow the City to continue to accommodate its remaining housing need (RHNA), by income category. The intent is to ensure that jurisdictions have adequate sites with appropriate zoning to accommodate their share of the regional housing need throughout the Housing Element period. As noted above, AB 72 provides that HCD and the State Attorney General can intercede if a jurisdiction fails to uphold the "No Net Loss" provisions.

AB 686 (2018), also known as the anti-discrimination or "Affirmatively Furthering Fair Housing" (AFFH) law, requires specific analysis around patterns of socio-economic concentration within the City and the larger region. This new law requires Healdsburg to examine past and current zoning, land use, funding, and other practices. New programs may be needed to ensure compliance.

SB 330 prohibits local jurisdictions from enacting new laws that would have the effect of reducing the legal limit on new housing within their borders, or delay new housing via administrative or other regulatory barriers.

SB 9 and SB 10. While these bills do not directly affect Housing Element law or RHNA allocations, they may be considered when making development capacity assumptions or when exploring policy approaches to encourage housing development to meet the City's needs. SB 9 builds on existing accessory dwelling unit (ADU) law by allowing duplexes and lot splits on most single-family parcels in California, and SB 10 is an opt-in provision to allow low-density multiplexes with streamlined rezoning and flexible parameters tailored to local needs.

In addition to the above, Government Code Section 65583(c) requires that the Housing Element include a five-year schedule of actions (programs) the City is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element. Significantly, if the City's housing sites inventory "does not identify adequate sites to accommodate the [RHNA] need for groups of all household income levels ..., the program shall identify sites that can be developed for housing within the planning period pursuant to § 65583.2(h)." Those sites must typically be identified and rezoned to allow housing by-right at default densities within three years from the beginning of the Housing Element period. However, AB 215 (2021) now shortens that rezoning period from three years to one year for any subject jurisdiction that does not adopt a Housing Element in time.

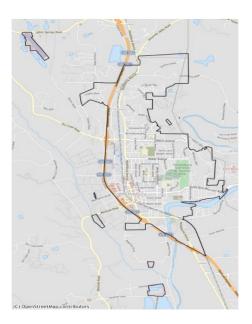
City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element Appendix C. ABAG Housing Needs Data Packet

HOUSING NEEDS DATA REPORT: HEALDSBURG

ABAG/MTC Staff and Baird + Driskell Community Planning

2021-04-02







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1 INTRODUCTION

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, contributing to the housing shortage that communities are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people across incomes being able to purchase homes or meet surging rents.

The 2023-2031 Housing Element Update provides a roadmap for how to meet our growth and housing challenges. Required by the state, the Housing Element identifies what the existing housing conditions and community needs are, reiterates goals, and creates a plan for more housing. The Housing Element is an integral part of the General Plan, which guides the policies of Healdsburg.





2 SUMMARY OF KEY FACTS

- **Population** Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of Healdsburg increased by 10.8% from 2000 to 2020, which is below the growth rate of the Bay Area.
- Age In 2019, Healdsburg's youth population under the age of 18 was 2,097 and senior population 65 and older was 2,665. These age groups represent 17.7% and 22.5%, respectively, of Healdsburg's population.
- **Race/Ethnicity** In 2020, 63.8% of Healdsburg's population was White while 0.0% was African American, 1.8% was Asian, and 31.0% was Latinx. People of color in Healdsburg comprise a proportion below the overall proportion in the Bay Area as a whole.¹
- **Employment** Healdsburg residents most commonly work in the *Health & Educational Services* industry. From January 2010 to January 2021, the unemployment rate in Healdsburg decreased by 4.4 percentage points. Since 2010, the number of jobs located in the jurisdiction increased by 1,460 (26.8%). Additionally, the jobs-household ratio in Healdsburg has increased from 1.14 in 2002 to 1.53 jobs per household in 2018.
- Number of Homes The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in Healdsburg increased, 5.5% from 2010 to 2020, which is *above* the growth rate for Sonoma County and *above* the growth rate of the region's housing stock during this time period.
- Home Prices A diversity of homes at all income levels creates opportunities for all Healdsburg residents to live and thrive in the community.
 - **Ownership** The largest proportion of homes had a value in the range of \$500k-\$750k in 2019. Home prices increased by 74.4% from 2010 to 2020.
 - **Rental Prices** The typical contract rent for an apartment in Healdsburg was \$1,450 in 2019. Rental prices increased by 39.5% from 2009 to 2019. To rent a typical apartment without cost burden, a household would need to make \$58,360 per year.²
- Housing Type It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020, 74.0% of homes in Healdsburg were single family detached, 4.1% were single family attached, 9.7% were small multifamily (2-4 units), and 10.8% were medium or large multifamily (5+ units). Between 2010 and 2020, the number of single-

¹ The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source. ² Note that contract rents may differ significantly from, and often being lower than, current listing prices.





family units increased more than multi-family units. Generally, in Healdsburg, the share of the housing stock that is detached single family homes is above that of other jurisdictions in the region.

- **Cost Burden** The U.S. Department of Housing and Urban Development considers housing to be affordable for a household if the household spends less than 30% of its income on housing costs. A household is considered "cost-burdened" if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered "severely cost-burdened." In Healdsburg, 18.9% of households spend 30%-50% of their income on housing, while 15.7% of households are severely cost burden and use the majority of their income for housing.
- **Displacement/Gentrification** According to research from The University of California, Berkeley, 0.0% of households in Healdsburg live in neighborhoods that are susceptible to or experiencing displacement, and 0.0% live in areas at risk of or undergoing gentrification. 33.1% of households in Healdsburg live in neighborhoods where low-income households are likely excluded due to prohibitive housing costs. There are various ways to address displacement including ensuring new housing at all income levels is built.
- Neighborhood 0.0% of residents in Healdsburg live in neighborhoods identified as "Highest Resource" or "High Resource" areas by State-commissioned research, while 0.0% of residents live in areas identified by this research as "Low Resource" or "High Segregation and Poverty" areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.³
- **Special Housing Needs** Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances. In Healdsburg, 9.6% of residents have a disability of any kind and may require accessible housing. Additionally, 7.0% of Healdsburg households are larger households with five or more people, who likely need larger housing units with three bedrooms or more. 9.7% of households are female-headed families, which are often at greater risk of housing insecurity.

Note on Data

Many of the tables in this report are sourced from data from the Census Bureau's American Community Survey or U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data, both of which are samples and as such, are subject to sampling variability. This means that data is an estimate, and that other estimates could be possible if another set of

³ For more information on the "opportunity area" categories developed by HCD and the California Tax Credit Allocation Committee, see this website: <u>https://www.treasurer.ca.gov/ctcac/opportunity.asp</u>. The degree to which different jurisdictions and neighborhoods have access to opportunity will likely need to be analyzed as part of new Housing Element requirements related to affirmatively furthering fair housing. ABAG/MTC will be providing jurisdictions with technical assistance on this topic this summer, following the release of additional guidance from HCD.





respondents had been reached. We use the five-year release to get a larger data pool to minimize this "margin of error" but particularly for the smaller cities, the data will be based on fewer responses, and the information should be interpreted accordingly.

Additionally, there may be instances where there is no data available for a jurisdiction for particular data point, or where a value is 0 and the automatically generated text cannot perform a calculation. In these cases, the automatically generated text is "NODATA." Staff should reword these sentences before using them in the context of the Housing Element or other documents.

Note on Figures

Any figure that does not specify geography in the figure name represents data for Healdsburg.





3 LOOKING TO THE FUTURE: REGIONAL HOUSING NEEDS

3.1 Regional Housing Needs Determination

The Plan Bay Area 2050⁴ Final Blueprint forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.⁵ This calculation, known as the Regional Housing Needs Determination (RHND), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households, and seek to bring the region more in line with comparable ones.⁶ These new laws governing the methodology for how HCD calculates the RHND resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles.

3.2 Regional Housing Needs Allocation

A starting point for the Housing Element Update process for every California jurisdiction is the Regional Housing Needs Allocation or RHNA - the share of the RHND assigned to each jurisdiction by the Association of Bay Area Governments (ABAG). State Housing Element Law requires ABAG to develop a methodology that calculates the number of housing units assigned to each city and county and distributes each jurisdiction's housing unit allocation among four affordability levels. For this RHNA cycle, the RHND increased by 135%, from 187,990 to 441,776. For more information on the RHNA process this cycle, see ABAG's website: https://abag.ca.gov/our-work/housing/rhna-regional-housing-needs-allocation

Almost all jurisdictions in the Bay Area are likely to receive a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles.

In January 2021, ABAG adopted a Draft RHNA Methodology, which is currently being reviewed by HCD. For Healdsburg, the proposed RHNA to be planned for this cycle is 476 units, a slated increase from the last cycle. Please note that the previously stated figures are merely illustrative, as ABAG has yet to issue Final RHNA allocations. The Final RHNA allocations that local jurisdictions will use for their

⁶ For more information on HCD's RHND calculation for the Bay Area, see this letter sent to ABAG from HCD on June 9, 2020: <u>https://www.hcd.ca.gov/community-development/housing-element/docs/abagrhna-final060920(r).pdf</u>





⁴ Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing and transportation

⁵ HCD divides the RHND into the following four income categories:

Very Low-income: 0-50% of Area Median Income

Low-income: 50-80% of Area Median Income

Moderate-income: 80-120% of Area Median Income

Above Moderate-income: 120% or more of Area Median Income

Housing Elements will be released at the end of 2021. The potential allocation that Healdsburg would receive from the Draft RHNA Methodology is broken down by income category as follows:

Income Group	Healdsburg Units	Sonoma County Units	Bay Area Units	Healdsburg Percent	Sonoma County Percent	Bay Area Percent
Very Low Income (<50% of AMI)	190	3999	114442	39.9%	27.5%	25.9%
Low Income (50%- 80% of AMI)	109	2302	65892	22.9%	15.8%	14.9%
Moderate Income (80%-120% of AMI)	49	2302	72712	10.3%	15.8%	16.5%
Above Moderate Income (>120% of AMI)	128	5959	188130	26.9%	40.9%	42.6%
Total	476	14562	441176	100.0%	100.0%	100.0%

Table 1: Illustrative Regional Housing Needs Allocation from Draft Methodology

Source: Association of Bay Area Governments Methodology and tentative numbers were approved by ABAG's Executive board on January 21, 2021 (Resolution No. 02-2021). The numbers were submitted for review to California Housing and Community Development in February 2021, after which an appeals process will take place during the Summer and Fall of 2021. THESE NUMBERS SHOULD BE CONSIDERED PRELIMINARY AND SUBJECT TO CHANGE PER HCD REVIEW





4 POPULATION, EMPLOYMENT AND HOUSEHOLD CHARACTERISTICS

4.1 Population

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Many cities in the region have experienced significant growth in jobs and population. While these trends have led to a corresponding increase in demand for housing across the region, the regional production of housing has largely not kept pace with job and population growth. Since 2000, Healdsburg's population has increased by 10.8%; this rate is below that of the region as a whole, at 14.8%. In Healdsburg, roughly 14.1% of its population moved during the past year, a number 0.7 percentage points greater than the regional rate of 13.4%.

Table 2: Population Growth Trends

Geography	1990	1995	2000	2005	2010	2015	2020
Healdsburg	9469	9435	10915	11661	11254	11740	12089
Sonoma County	388222	416776	458614	475703	483878	500640	492980
Bay Area	6020147	6381961	6784348	7073912	7150739	7595694	7790537

Universe: Total population

Source: California Department of Finance, E-5 series

For more years of data, please refer to the Data Packet Workbook, Table POPEMP-01.

In 2020, the population of Healdsburg was estimated to be 12,089 (see Table 2). From 1990 to 2000, the population increased by 15.3%, while it increased by 3.1% during the first decade of the 2000s. In the most recent decade, the population increased by 7.4%. The population of Healdsburg makes up 2.5% of Sonoma County.⁷

⁷ To compare the rate of growth across various geographic scales, Figure 1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e. percent change) in each of these geographies relative to their populations in 1990.





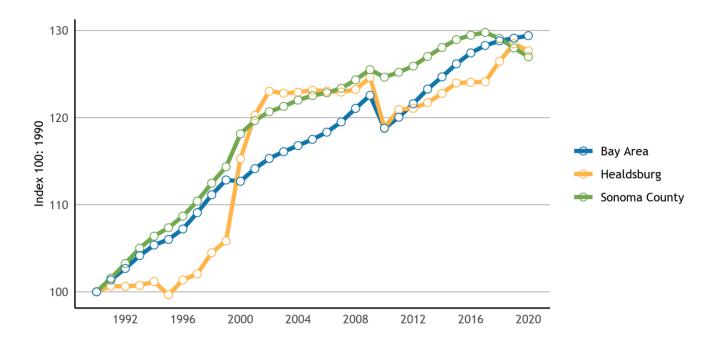


Figure 1: Population Growth Trends

Source: California Department of Finance, E-5 series Note: The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-01.

4.2 Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In Healdsburg, the median age in 2000 was 36.9; by 2019, this figure had increased, landing at around 46 years. More specifically, the population of those under 14 has decreased since 2010, while the 65-and-over population has increased (see Figure 2).





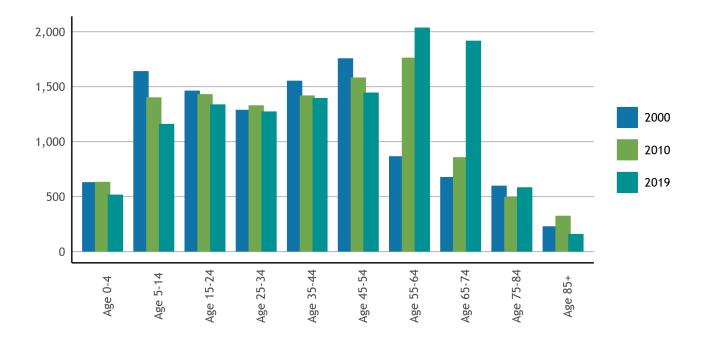


Figure 2: Population by Age, 2000-2019

Universe: Total population

Source: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-04.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color⁸ make up 5.7% of seniors and 28.8% of youth under 18 (see Figure 3).

⁸ Here, we count all non-white racial groups





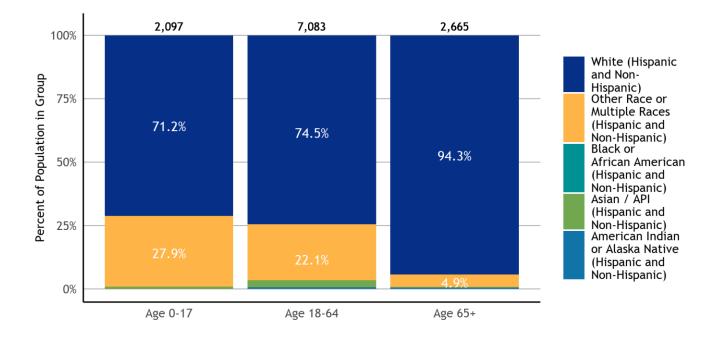


Figure 3: Senior and Youth Population by Race

Universe: Total population

Notes: In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G) For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-02.

4.3 Race and Ethnicity

Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today⁹. Since 2000, the percentage of residents in Healdsburg identifying as White has decreased - and by the same token the percentage of residents of all *other* races and ethnicities has *increased* - by 5.0 percentage points, with the 2019 population standing at 7,554 (see Figure 4). In absolute terms, the *Hispanic or Latinx* population increased the most while the *American Indian or Alaska Native, Non-Hispanic* population decreased the most.

⁹ See, for example, Rothstein, R. (2017). The color of law : a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.





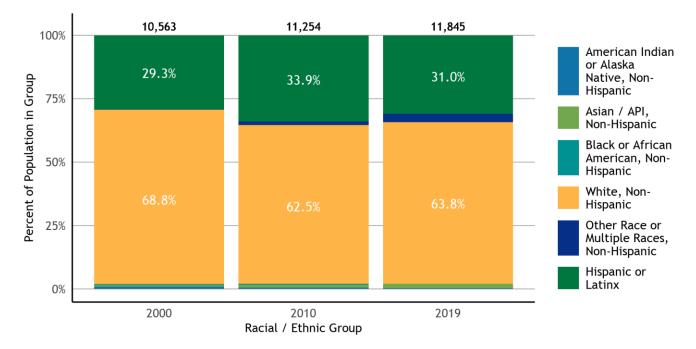


Figure 4: Population by Race, 2000-2019

Universe: Total population

Notes: Data for 2019 represents 2015-2019 ACS estimates. The Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity. Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-02.

4.4 Employment Trends

4.4.1 Balance of Jobs and Workers

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city, but more often employ workers commuting from outside of it. Smaller cities typically will have more employed residents than jobs there and export workers, while larger cities tend to have a surplus of jobs and import workers. To some extent the regional transportation system is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale.

One measure of this is the relationship between *workers* and *jobs*. A city with a surplus of workers "exports" workers to other parts of the region, while a city with a surplus of jobs must conversely "import" them. Between 2002 and 2018, the number of jobs in Healdsburg increased by 40.7% (see Figure 5).





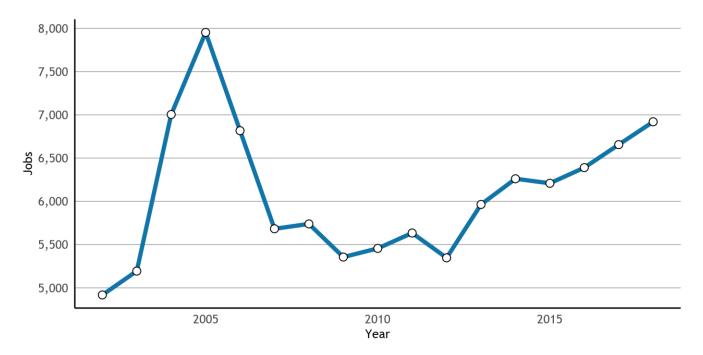


Figure 5: Jobs in a Jurisdiction

Universe: Jobs from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment

Notes: The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized.

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-11.

There are 6,312 employed residents, and 8,646 jobs¹⁰ in Healdsburg - the ratio of jobs to resident workers is 1.37; Healdsburg is *a net importer of workers*.

Figure 6 shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively low-income workers but have relatively few housing options for those workers - or conversely, it may house residents who are low wage workers but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories. A relative *surplus* of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear. Healdsburg has more low-wage *jobs* than low-wage *residents* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage

¹⁰ Employed *residents* in a jurisdiction is counted by place of residence (they may work elsewhere) while *jobs* in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure 5 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.





spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000) (see Figure 6).¹¹

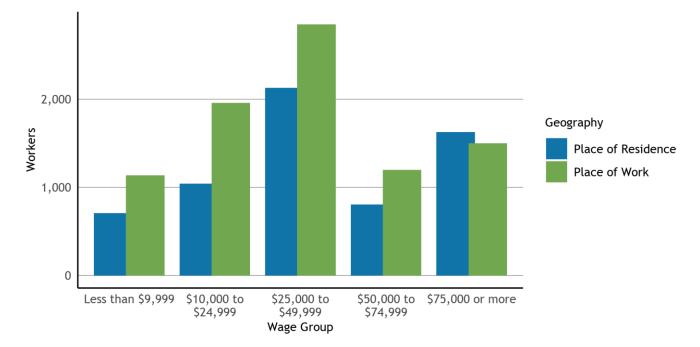


Figure 6: Workers by Earnings, by Jurisdiction as Place of Work and Place of Residence

Universe: Workers 16 years and over with earnings

Source: U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-10.

Figure 7 shows the balance of a jurisdiction's resident workers to the jobs located there for different wage groups as a ratio instead - a value of 1 means that a city has the same number of jobs in a wage group as it has resident workers - in principle, a balance. Values above 1 indicate a jurisdiction will need to import workers for jobs in a given wage group. At the regional scale, this ratio is 1.04 jobs for each worker, implying a modest import of workers from outside the region (see Figure 7).

¹¹ The source table is top-coded at \$75,000, precluding more fine grained analysis at the higher end of the wage spectrum.





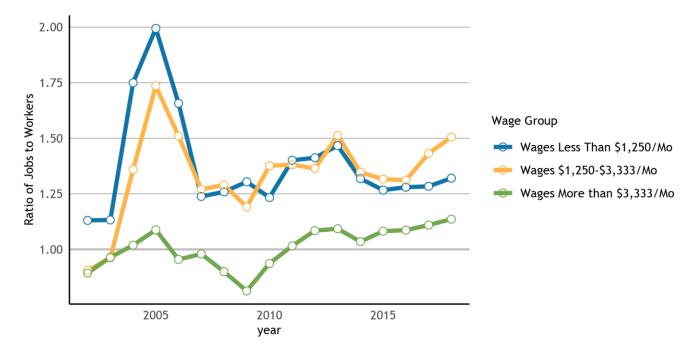


Figure 7: Jobs-Worker Ratios, By Wage Group

Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment Notes: The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-14.

Such balances between jobs and workers may directly influence the housing demand in a community. New jobs may draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work, particularly where job growth has been in relatively lower wage jobs. This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate it contributes to traffic congestion and time lost for all road users.

If there are more jobs than employed residents, it means a city is relatively jobs-rich, typically also with a high jobs to household ratio. Thus bringing housing into the measure, the *jobs-household ratio* in Healdsburg has increased from 1.14 in 2002, to 1.53 jobs per household in 2018 (see Figure 8).





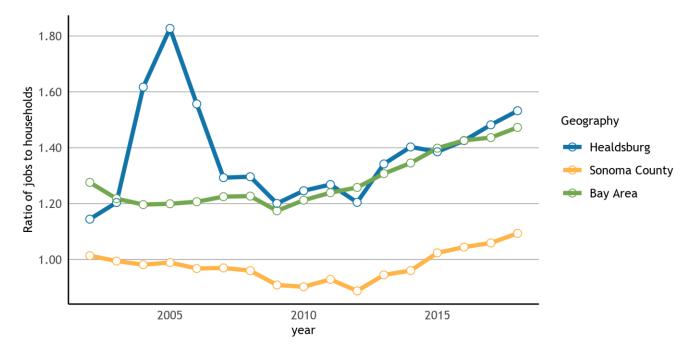


Figure 8: Jobs-Household Ratio

Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction Notes: The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied. The difference between a jurisdiction's jobs-housing ratio and jobs-household ratio will be most pronounced in jurisdictions with high vacancy rates, a high rate of units used for seasonal use, or a high rate of units used as short-term rentals. Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households) For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-13.

4.4.2 Sector Composition

In terms of sectoral composition, the largest industry in which Healdsburg residents work is *Health & Educational Services*, and the largest sector in which Sonoma residents work is *Health & Educational Services* (see Figure 9). For the Bay Area as a whole, the *Health & Educational Services* industry employs the most workers.





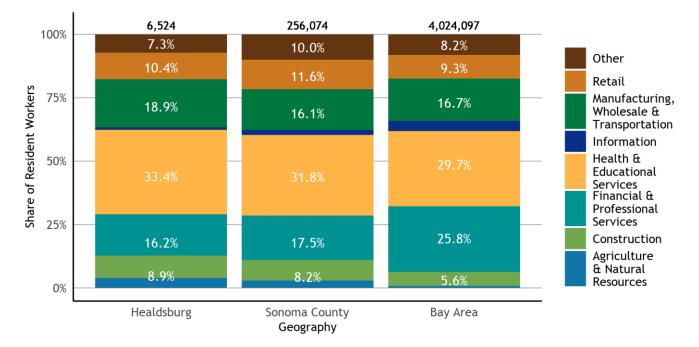


Figure 9: Resident Employment by Industry

Universe: Civilian employed population age 16 years and over

Notes: The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Categories are derived from the following source tables: Agriculture & Natural Resources: C24030_003E, C24030_030E; Construction: C24030_006E, C24030_033E; Manufacturing, Wholesale & Transportation: C24030_007E, C24030_034E, C24030_008E, C24030_035E, C24030_010E, C24030_037E; Retail: C24030_009E, C24030_036E; Information: C24030_013E, C24030_040E; Financial & Professional Services: C24030_014E, C24030_041E, C24030_017E, C24030_044E; Health & Educational Services: C24030_021E, C24030_024E, C24030_048E, C24030_051E; Other: C24030_027E, C24030_054E, C24030_028E, C24030_055E Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-06.

4.4.3 Unemployment

In Healdsburg, there was a 4.4 percentage point decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions through the region experienced a sharp rise in unemployment in 2020 due to impacts related to the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020.





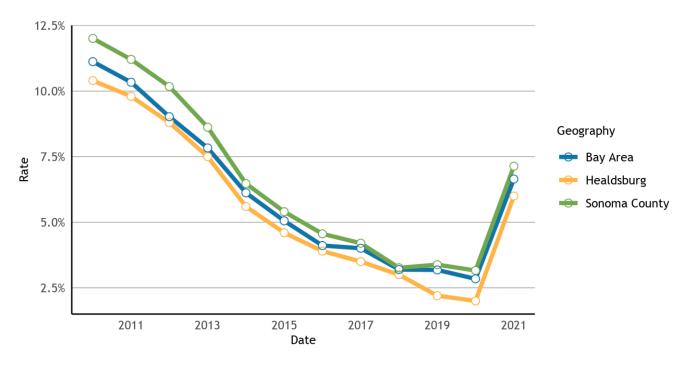


Figure 10: Unemployment Rate

Universe: Civilian noninstitutional population ages 16 and older

Notes: Unemployment rates for the jurisdiction level is derived from larger-geography estimates. This method assumes that the rates of change in employment and unemployment are exactly the same in each sub-county area as at the county level. If this assumption is not true for a specific sub-county area, then the estimates for that area may not be representative of the current economic conditions. Since this assumption is untested, caution should be employed when using these data. Only not seasonally-adjusted labor force (unemployment rates) data are developed for cities and CDPs.

Source: California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021.

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-15.

4.5 Extremely Low-Income Households

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state¹².

In Healdsburg, 60.3% of households make more than 100% of the Area Median Income (AMI)¹³, compared to 9.0% making less than 30% of AMI, which is considered extremely low-income (see Figure 11).

¹³ Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50





¹² Bohn, S.et al. 2020. Income Inequality and Economic Opportunity in California. *Public Policy Institute of California*.

Regionally, more than half of all households make more than 100% AMI, while 15% make less than 30% AMI. In Sonoma County, 30% AMI is the equivalent to the annual income of \$29,450 for a family of four. Many households with multiple wage earners - including food service workers, full-time students, teachers, farmworkers and healthcare professionals - can fall into lower AMI categories due to relatively stagnant wages in many industries.

Note on Estimating the Projected Number of Extremely Low-Income Households

Local jurisdictions are required to provide an estimate for their projected extremely low-income households in their Housing Elements. HCD's official Housing Element guidance notes that jurisdictions can use their RHNA for very low-income households (those making 0-50% AMI) to calculate their projected extremely low-income households. For more information, visit HCD's Building Blocks page on Extremely Low-Income Housing Needs.

This document does not contain the required data point of projected extremely low-income households, as Bay Area jurisdictions have not yet received their final RHNA numbers. Once Healdsburg receives its 6th Cycle RHNA, staff can estimate the projected extremely low-income households using one of the following three methodologies:

Option A: Assume that 59.8% of Healdsburg's very low-income RHNA is for extremely low-income households.

According to HCD's Regional Housing Need Determination for the Bay Area, 15.5% of the region's housing need is for 0-30% AMI households while 25.9% is for 0-50% AMI households. Therefore, extremely low-income housing need represents 59.8% of the region's very low-income housing need, as 15.5 divided by 25.9 is 59.8%. This option aligns with HCD's guidance to use U.S. Census data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households, as HCD uses U.S. Census data to calculate the Regional Housing Need Determination.

Option B: Assume that 43.8% of Healdsburg's very low-income RHNA is for extremely low-income households.

According to the data shown below (Figure 11), 970 of Healdsburg's households are 0-50% AMI while 425 are extremely low-income. Therefore, extremely low-income households represent 43.8% of households who are 0-50% AMI, as 425 divided by 970 is 43.8%. This option aligns with HCD's guidance to use U.S. Census data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households, as the information in Figure 11 represents a tabulation of Census Bureau Data.

Option C: Assume that 50% of Healdsburg's very low-income RHNA is for extremely low-income households.

HCD's guidance notes that instead of using use U.S. Census data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households, local jurisdictions can presume that 50% of their RHNA for very low-income households qualifies for extremely low-income households.

percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.





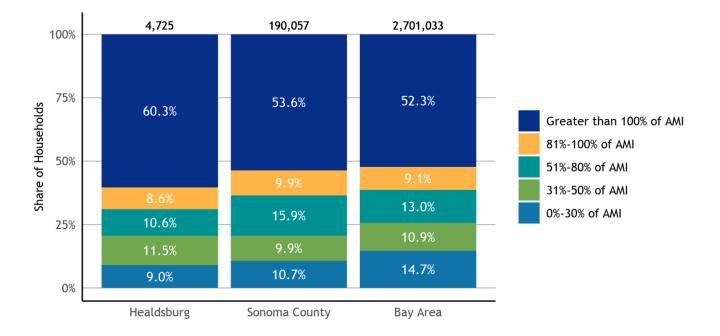


Figure 11: Households by Household Income Level

Universe: Occupied housing units

Notes: Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located. Local jurisdictions are required to provide an estimate for their projected extremely low-income households (0-30% AMI) in their Housing Elements. HCD's official Housing Element guidance notes that jurisdictions can use their RHNA for very low-income households (those making 0-50% AMI) to calculate their projected extremely low-income households. As Bay Area jurisdictions have not yet received their final RHNA numbers, this document does not contain the required data point of projected extremely low-income households. The report portion of the housing data needs packet contains more specific guidance for how local staff can calculate an estimate for projected extremely low-income households once jurisdictions receive their 6th cycle RHNA numbers.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-01.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households.

In Healdsburg, the largest proportion of renters falls in the *Greater than 100% of AMI* income group, while the largest proportion of homeowners are found in the *Greater than 100% of AMI* group (see Figure 12).





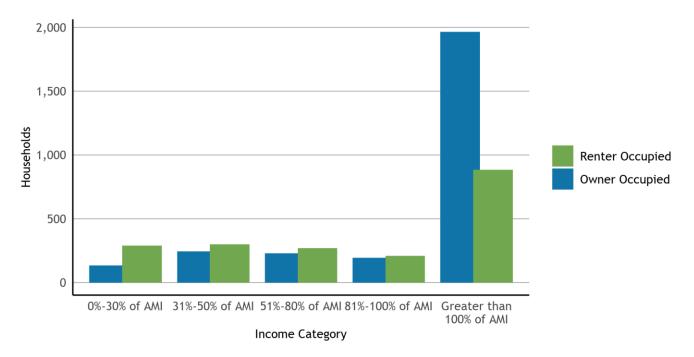


Figure 12: Household Income Level by Tenure

Universe: Occupied housing units

Notes: Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-21.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents.¹⁴ These economic disparities also leave communities of color at higher risk for housing insecurity, displacement or homelessness. In Healdsburg, Other Race or Multiple Races (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by Asian / API (Hispanic and Non-Hispanic) residents (see Figure 13).

¹⁴ Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.





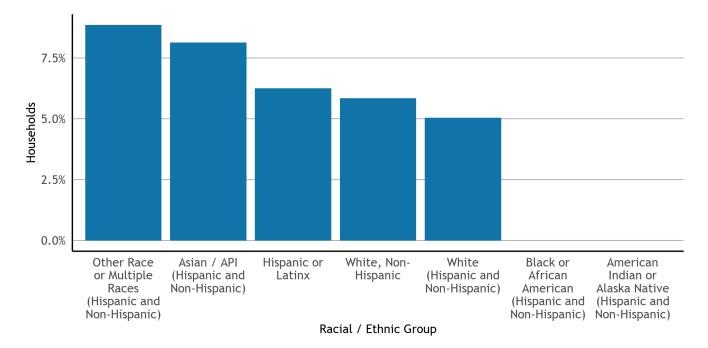


Figure 13: Poverty Status by Race

Universe: Population for whom poverty status is determined

Notes: The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for these groups is equivalent to the population for whom poverty status is determined.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-03.

4.6 Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity - ability for individuals to stay in their homes - in a city and region. Generally, renters may be displaced more quickly if prices increase. In Healdsburg there are a total of 4,635 housing units, and fewer residents rent than own their homes: 39.5% versus 60.5% (see Figure 14). By comparison, 38.5% of households in Sonoma County are renters, while 44% of Bay Area households rent their homes.





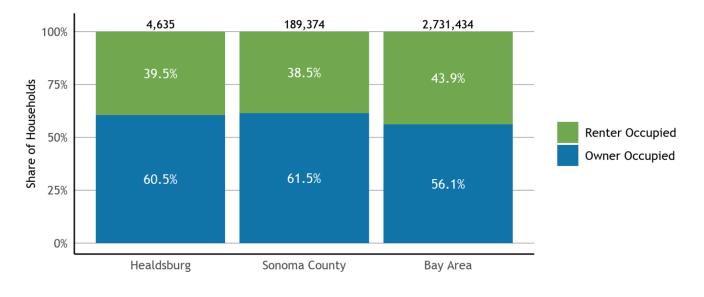


Figure 14: Housing Tenure

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-16.

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.¹⁵ In Healdsburg, NODATA of Black households owned their homes, while homeownership rates were 81.4% for Asian households, 40.6% for Latinx households, and 64.8% for White households. Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

¹⁵ See, for example, Rothstein, R. (2017). The color of law : a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.





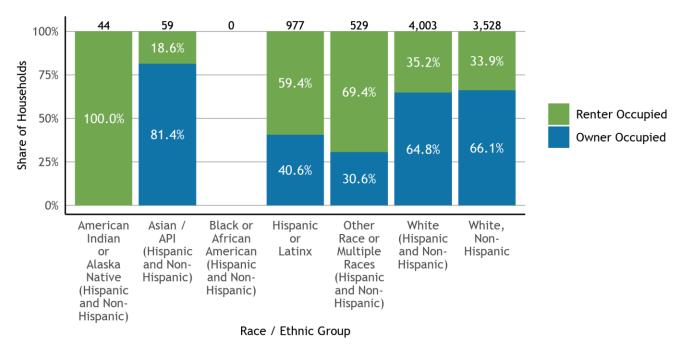


Figure 15: Housing Tenure by Race of Householder

Universe: Occupied housing units

Notes: For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-20.

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

In Healdsburg, 70.8% of householders between the ages of 25 and 44 are renters, while 23.3% of householders over 65 are (see Figure 16).





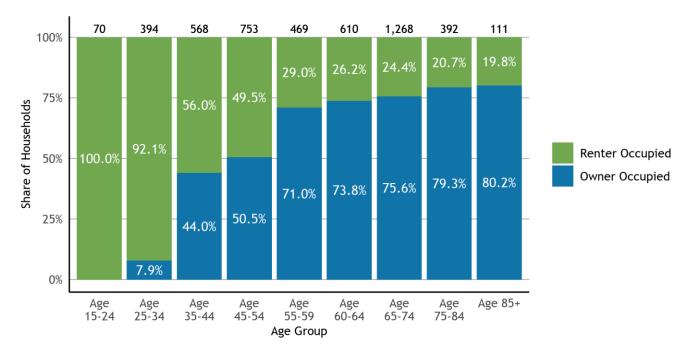


Figure 16: Housing Tenure by Age

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-18.

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In Healdsburg, 71.9% of households in detached single-family homes are homeowners, while 10.6% of households in multi-family housing are homeowners (see Figure 17).

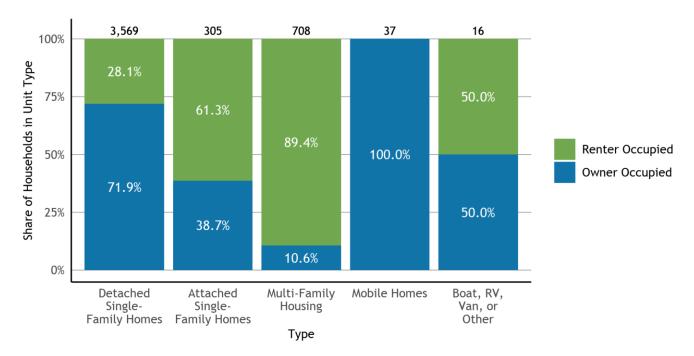






Figure 17: Housing Tenure by Housing Type

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-22.

4.7 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in Healdsburg, 0.0% of households live in neighborhoods that are susceptible to or experiencing displacement and 0.0% live in neighborhoods at risk of or undergoing gentrification.

Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that 33.1% of households in Healdsburg live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.¹⁶

¹⁶ More information about this gentrification and displacement data is available at the Urban Displacement Project's webpage: <u>https://www.urbandisplacement.org/</u>. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at this link: <u>https://www.urbandisplacement.org/sites/default/files/typology_sheet_2018_0.png</u>. Additionally, one can view maps that show which typologies correspond to which parts of a jurisdiction here: <u>https://www.urbandisplacement.org/san-francisco/sf-bay-area-gentrification-and-displacement</u>





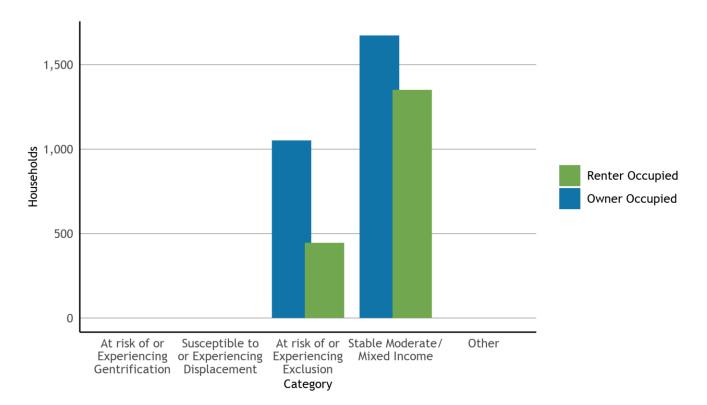


Figure 18: Households by Displacement Risk and Tenure

Universe: Households

Notes: Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. Categories are combined as follows for simplicity: At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification Stable Moderate/Mixed Income Susceptible to or Experiencing Displacement: Low-Income/Susceptible to Displacement; Ongoing Displacement Other: High Student Population; Unavailable or Unreliable Data Source: Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure.

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-25.





5 HOUSING STOCK CHARACTERISTICS

5.1 Housing Types, Year Built, Vacancy, and Permits

In recent years, most housing produced in the region and across the state consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in "missing middle housing" - including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of Healdsburg in 2020 was made up of 74.0% single family detached homes, 4.1% single family attached homes, 9.7% multifamily homes with 2 to 4 units, 10.8% multifamily homes with 5 or more units, and 1.4% mobile homes (see Figure 19). In Healdsburg, the housing type that experienced the most growth between 2010 and 2020 was *Single-Family Home: Detached*.

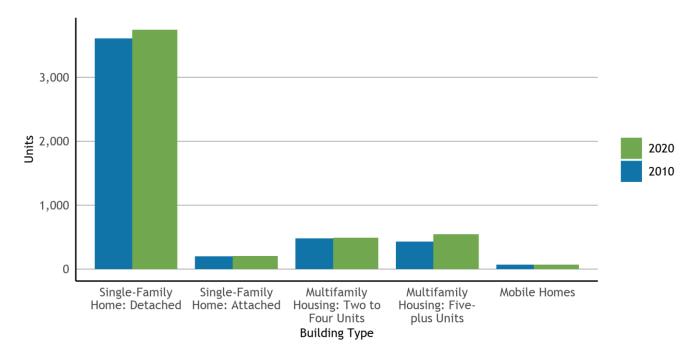


Figure 19: Housing Type Trends

Universe: Housing units Source: California Department of Finance, E-5 series For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-01.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the region. In Healdsburg, the largest proportion of the housing stock was built 1980 to 1999, with 1,530 units constructed during this period (see Figure 20). Since 2010, 2.9% of the current housing stock was built, which is 152 units.





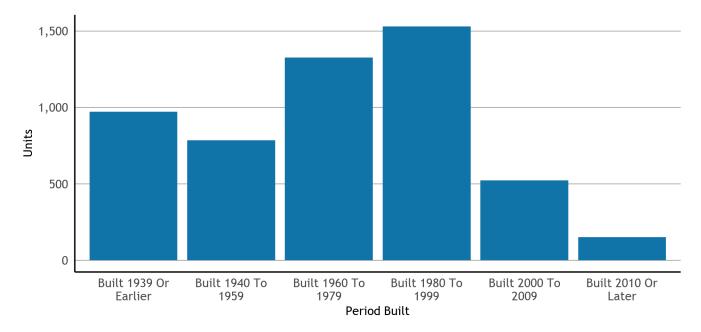


Figure 20: Housing Units by Year Structure Built

Universe: Housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-04.

Vacant units make up 12.4% of the overall housing stock in Healdsburg. The rental vacancy stands at 2.7%, while the ownership vacancy rate is 1.3%. Of the vacant units, the most common type of vacancy is *Other Vacant* (see Figure 21).¹⁷

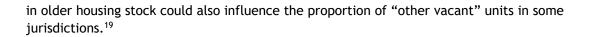
Throughout the Bay Area, vacancies make up 2.6% of the total housing units, with homes listed for rent; units used for recreational or occasional use, and units not otherwise classified (other vacant) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as "for recreational or occasional use" are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like AirBnB are likely to fall in this category. The Census Bureau classifies units as "other vacant" if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration.¹⁸ In a region with a thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the "other vacant" category. Additionally, the need for seismic retrofitting

¹⁸ For more information, see pages 3 through 6 of this list of definitions prepared by the Census Bureau: <u>https://www.census.gov/housing/hvs/definitions.pdf</u>.





¹⁷ The vacancy rates by tenure is for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (12.4%). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a a significant number of vacancy categories, including the numerically significant *other vacant*.



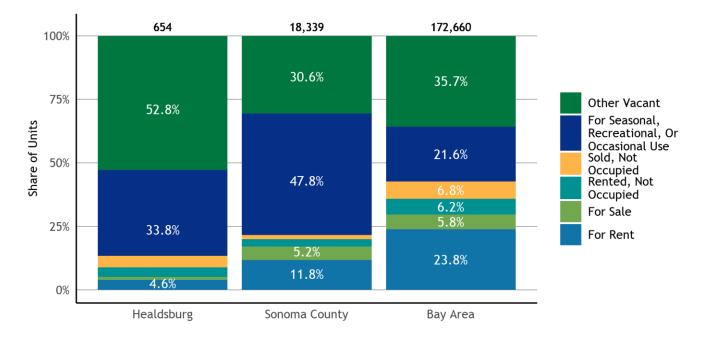


Figure 21: Vacant Units by Type

Universe: Vacant housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-03.

Between 2015 and 2019, 278 housing units were issued permits in Healdsburg. 58.6% of permits issued in Healdsburg were for above moderate-income housing, 26.6% were for moderate-income housing, and 14.7% were for low- or very low-income housing (see Table 3).

Table 3: Housing Permitting

Income Group	value
Above Moderate Income Permits	163
Moderate Income Permits	74
Low Income Permits	26
Very Low Income Permits	15

Universe: Housing permits issued between 2015 and 2019

Notes: HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the Area Median Income for the

¹⁹ See Dow, P. (2018). Unpacking the Growth in San Francisco's Vacant Housing Stock: Client Report for the San Francisco Planning Department. University of California, Berkeley.





county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the Area Median Income for the county in which the jurisdiction is located. Source: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020) This table is included in the Data Packet Workbook as Table HSG-11.

5.2 Assisted Housing Developments At-Risk of Conversion

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data in the table below comes from the California Housing Partnership's Preservation Database, the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the state, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table. There are 360 assisted units in Healdsburg in the Preservation Database. Of these units, 0.0% are at *High Risk* or *Very High Risk* of conversion.²⁰

Note on At-Risk Assisted Housing Developments

HCD requires that Housing Elements list the assisted housing developments at risk of converting to market-rate uses. For more information on the specific properties that are at Moderate Risk, High Risk, or Very High Risk of conversion, local jurisdiction staff should contact Danielle Mazzella, Preservation & Data Manager at the California Housing Partnership, at <u>dmazzella@chpc.net</u>.

Income	Healdsburg	Sonoma County	Bay Area
Low	360	7195	110177
Moderate	0	68	3375
High	0	267	1854
Very High	0	149	1053
Total Assisted Units in Database	360	7679	116459

Table 4: Assisted Units at Risk of Conversion

Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included.

Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.





²⁰ California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Notes: While California Housing Partnership's Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the state. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Per HCD guidance, local jurisdictions must also list the specific affordable housing developments at-risk of converting to market rate uses. This document provides aggregate numbers of at-risk units for each jurisdiction, but local planning staff should contact Danielle Mazzella with the California Housing Partnership at dmazzella@chpc.net to obtain a list of affordable properties that fall under this designation. California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are atrisk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Low Risk: affordable homes that are atrisk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer. Source: California Housing Partnership, Preservation Database (2020)

This table is included in the Data Packet Workbook as Table RISK-01.

5.3 Substandard Housing

Housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau data included in the graph below gives a sense of some of the substandard conditions that may be present in Healdsburg. For example, 1.2% of renters in Healdsburg reported lacking a kitchen and 0.0% of renters lack plumbing, compared to 0.0% of owners who lack a kitchen and 0.0% of owners who lack plumbing.

Note on Substandard Housing

HCD requires Housing Elements to estimate the number of units in need of rehabilitation and replacement. As a data source for housing units in need of rehabilitation and replacement is not available for all jurisdictions in the region, ABAG was not able to provide this required data point in this document. To produce an estimate of housing needs in need of rehabilitation and replacement, staff can supplement the data below on substandard housing issues with additional local information from code enforcement, recent windshield surveys of properties, building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations. For more information, visit HCD's Building Blocks page on Housing Stock Characteristics.





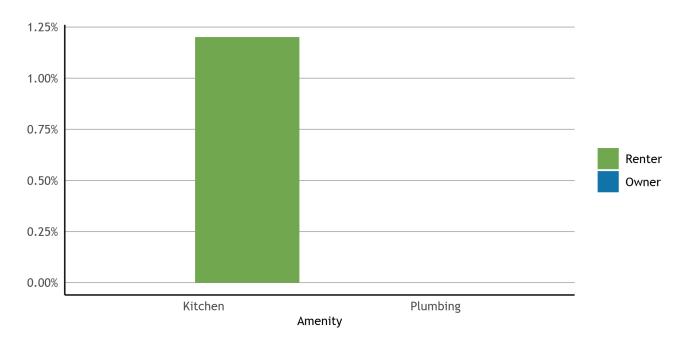


Figure 22: Substandard Housing Issues

Universe: Occupied housing units

Notes: Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-06.

5.4 Home and Rent Values

Home prices reflect a complex mix of supply and demand factors, including an area's demographic profile, labor market, prevailing wages and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in Healdsburg was estimated at \$851,500 by December of 2020, per data from Zillow. The largest proportion of homes were valued between \$500k-\$750k (see Figure 23). By comparison, the typical home value is \$691,580 in Sonoma County and \$1,077,230 the Bay Area, with the largest share of units valued \$500k-\$750k.

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 101.4% in Healdsburg from \$422,690 to \$851,500. This change is below the change in Sonoma County, and below the change for the region (see Figure 24).





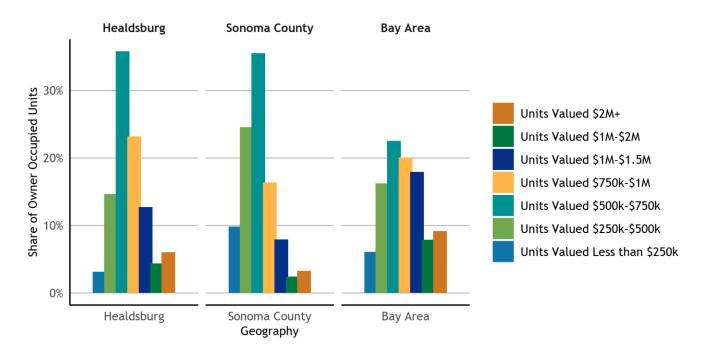


Figure 23: Home Values of Owner-Occupied Units

Universe: Owner-occupied units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-07.

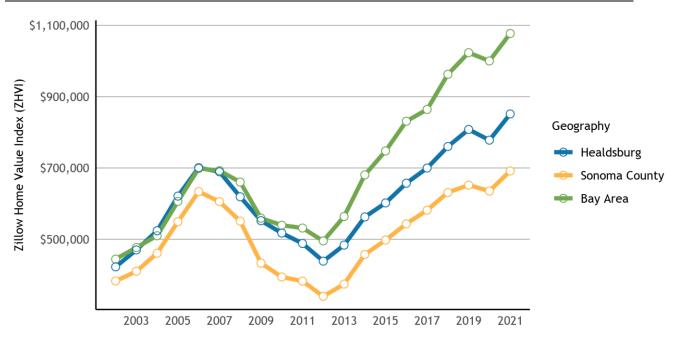


Figure 24: Zillow Home Value Index (ZHVI)

Universe: Owner-occupied housing units

Notes: Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The



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ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series For unincorporated areas, the value is a population weighted average of unincorporated communities in the county matched to census-designated population counts. Source: Zillow, Zillow Home Value Index (ZHVI)

For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-08.

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

In Healdsburg, the largest proportion of rental units rented in the *Rent* \$1000-\$1500 category, totaling 35.2%, followed by 20.9% of units renting in the *Rent* \$1500-\$2000 category (see Figure 25). Looking beyond the city, the largest share of units is in the \$1000-\$1500 category (county) compared to the \$1500-\$2000 category for the region as a whole.

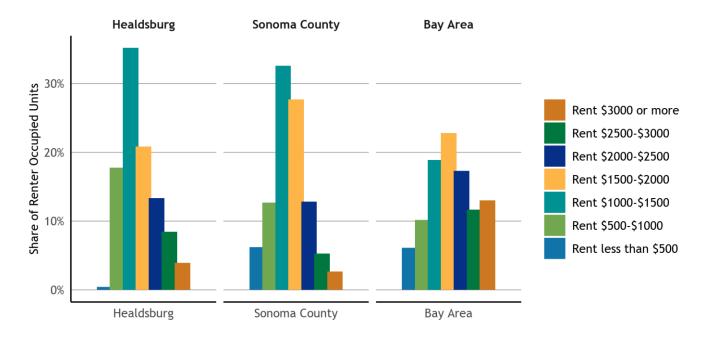


Figure 25: Contract Rents for Renter-Occupied Units

Universe: Renter-occupied housing units paying cash rent Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-09.

Since 2009, the median rent has increased by 39.5% in Healdsburg, from \$1,180 to \$1,450 per month (see Figure 26). In Sonoma County, the median rent has increased 22.7%, from \$1,200 to \$1,470. The median rent in the region has increased significantly during this time from \$1,200 to \$1,850, a 54% increase.²¹

²¹ While the data on home values shown in Figure 24 comes from Zillow, Zillow does not have data on rent prices available for most Bay Area jurisdictions. To have a more comprehensive dataset on rental data for the region, the





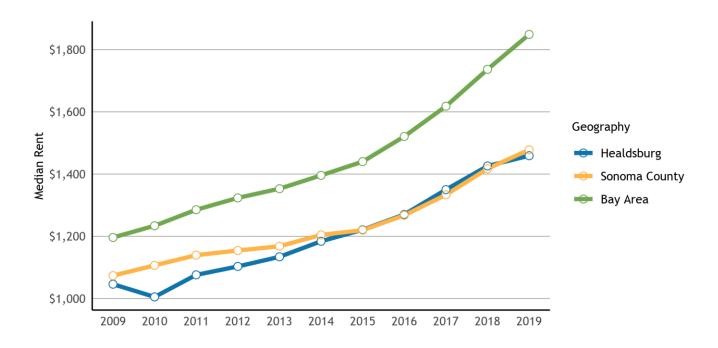


Figure 26: Median Contract Rent

Universe: Renter-occupied housing units paying cash rent Notes: For unincorporated areas, median is calculated using distribution in B25056. Source: U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year. For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-10.

5.5 Overpayment and Overcrowding

A household is considered "cost-burdened" if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered "severely cost-burdened." Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

rent data in this document comes from the U.S. Census Bureau's American Community Survey, which may not fully reflect current rents. Local jurisdiction staff may want to supplement the data on rents with local realtor data or other sources for rent data that are more current than Census Bureau data.





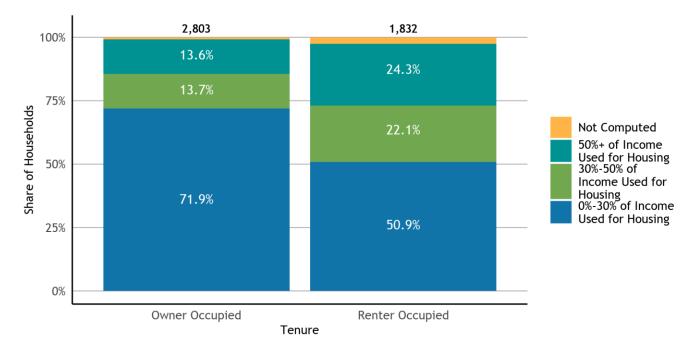


Figure 27: Cost Burden by Tenure

Universe: Occupied housing units

Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091 For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-06.

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in Healdsburg, 22.1% of renters spend 30% to 50% of their income on housing compared to 13.7% of those that own (see Figure 27). Additionally, 24.3% of renters spend 50% or more of their income on housing, while 13.6% of owners are severely cost-burdened.

In Healdsburg, 15.7% of households spend 50% or more of their income on housing, while 18.9% spend 30% to 50%. However, these rates vary greatly across income categories (see Figure 28). For example, 76.8% of Healdsburg households making less than 30% of AMI spend the majority of their income on housing. For Healdsburg residents making more than 100% of AMI, just 3.0% are severely cost-burdened, and 88.4% of those making more than 100% of AMI spend less than 30% of their income on housing.





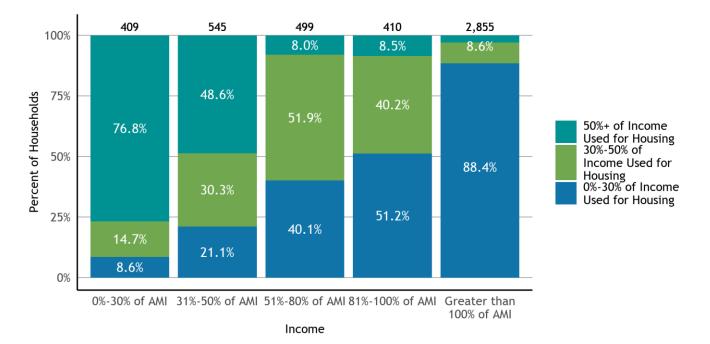


Figure 28: Cost Burden by Income Level

Universe: Occupied housing units

Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-05.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Hispanic or Latinx residents are the most cost burdened with 27.1% spending 30% to 50% of their income on housing, and *Hispanic or Latinx* residents are the most severely cost burdened with 23.7% spending more than 50% of their income on housing (see Figure 29).





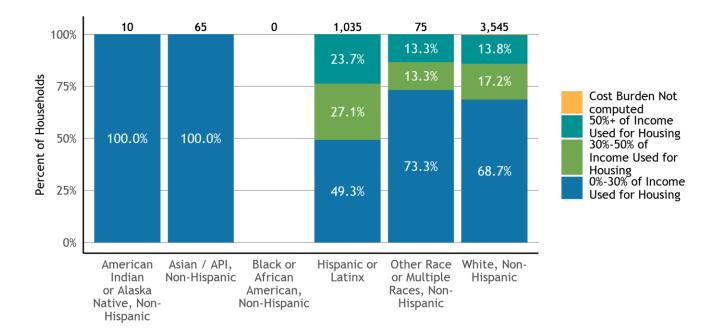


Figure 29: Cost Burden by Race

Universe: Occupied housing units

Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-08.

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

In Healdsburg, 9.5% of large family households experience a cost burden of 30%-50%, while 7.1% of households spend more than half of their income on housing. Some 19.4% of all other households have a cost burden of 30%-50%, with 16.1% of households spending more than 50% of their income on housing (see Figure 30).





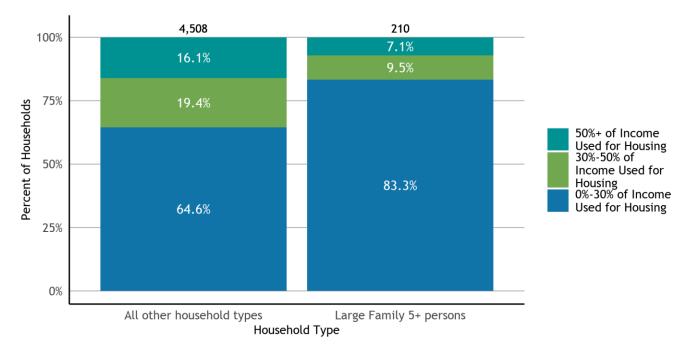


Figure 30: Cost Burden by Household Size

Universe: Occupied housing units

Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-09.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. 76.9% of seniors making less than 30% of AMI are spending the majority of their income on housing. For seniors making more than 100% of AMI, 85.1% are not cost-burdened and spend less than 30% of their income on housing (see Figure 31).





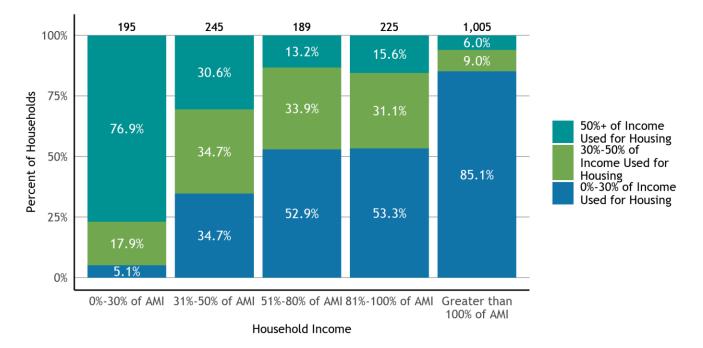


Figure 31: Cost-Burdened Senior Households by Income Level

Universe: Senior households

Notes: For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-03.

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Overcrowding is often related to the cost of housing and can occur when demand in a city or region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. In Healdsburg, 2.0% of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 0.9% of households that own (see Figure 32). In Healdsburg, 1.2% of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to 0.7% for those own.







Figure 32: Overcrowding by Tenure and Severity

Universe: Occupied housing units

Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-01.

Overcrowding often disproportionately impacts low-income households. 0.0% of very low-income households (below 50% AMI) experience severe overcrowding, while 1.4% of households above 100% experience this level of overcrowding (see Figure 33).





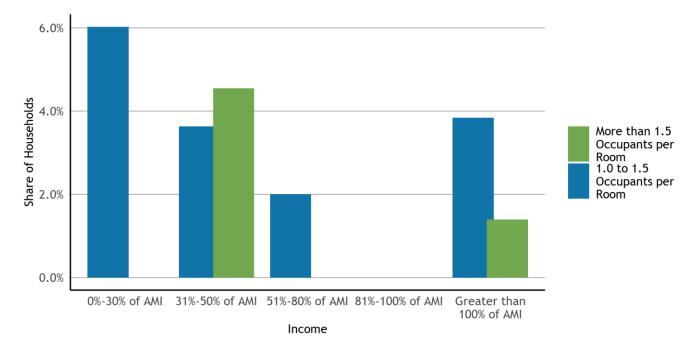


Figure 33: Overcrowding by Income Level and Severity

Universe: Occupied housing units

Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-04.

Communities of color are more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White residents. In Healdsburg, the racial group with the largest overcrowding rate is *Hispanic or Latinx* (see Figure 34)





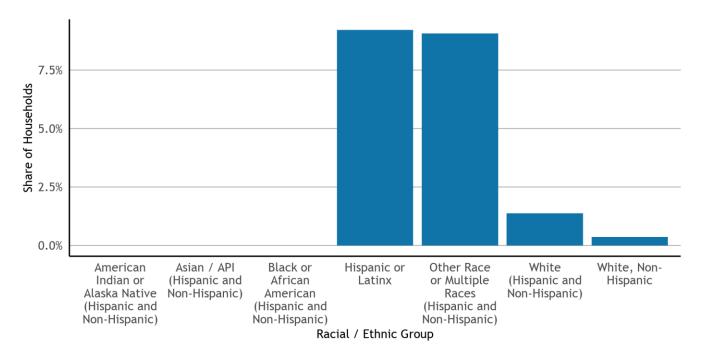


Figure 34: Overcrowding by Race

Universe: Occupied housing units

Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this groups is equivalent to the total number of occupied housing units.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014 For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-03.





6 SPECIAL HOUSING NEEDS

6.1 Large Households

Large households often have different housing needs than smaller households. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. In Healdsburg, for large households with 5 or more persons, most units (56.7%) are owner occupied (see Figure 35). In 2017, 14.3% of large households were very low-income, earning less than 50% of the area median income (AMI).

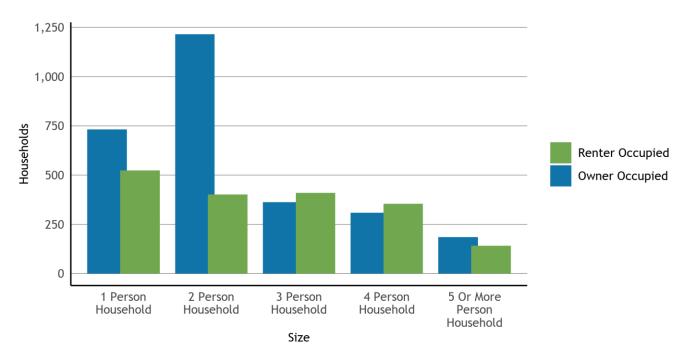


Figure 35: Household Size by Tenure

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009 For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-01.

The unit sizes available in a community affect the household sizes that can access that community. Large families are generally served by housing units with 3 or more bedrooms, of which there are 2,736 units in Healdsburg. Among these large units with 3 or more bedrooms, 19.8% are owner-occupied and 80.2% are renter occupied (see Figure 36).





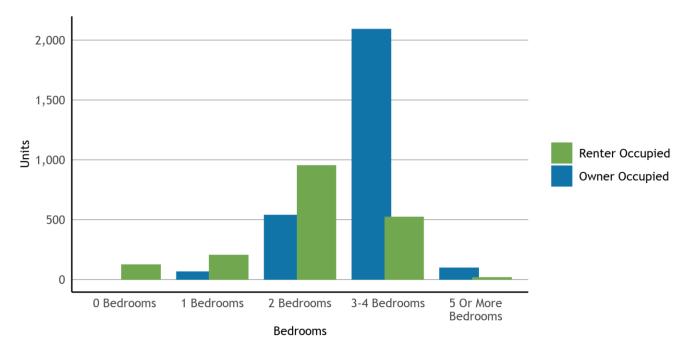


Figure 36: Housing Units by Number of Bedrooms

Universe: Housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-05.

6.2 Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly femaleheaded households, who may be supporting children or a family with only one income. In Healdsburg, the largest proportion of households is *Married-couple Family Households* at 52.0% of total, while *Female-Headed Households* make up 9.7% of all households.





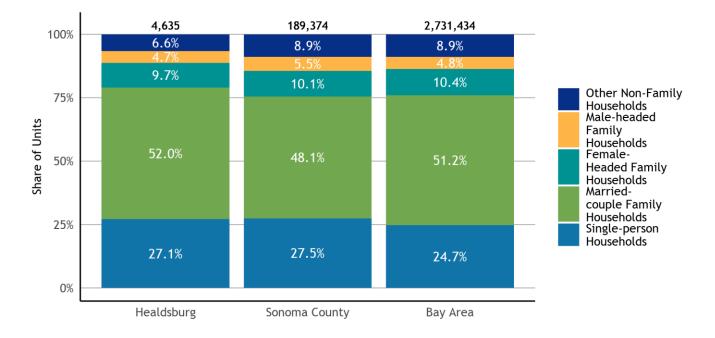


Figure 37: Household Type

Universe: Households

Notes: For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-23.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In Healdsburg, 14.6% of female-headed households with children fall below the Federal Poverty Line, while 6.2% of female-headed households *without* children live in poverty (see Figure 38).





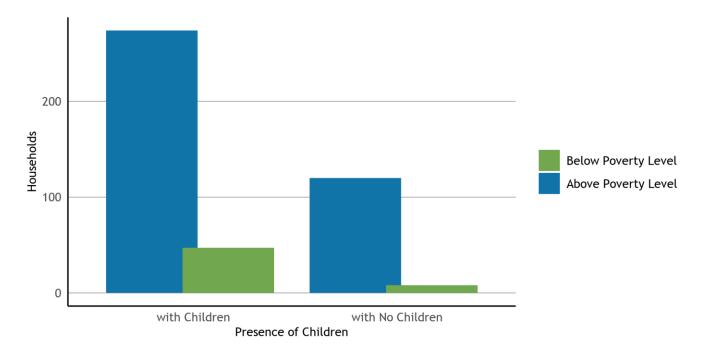


Figure 38: Female-Headed Households by Poverty Status

Universe: Female Households Notes: The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012 For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-05.

6.3 Seniors

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups. The largest proportion of senior households who rent make *Greater than 100% of AMI*, while the largest proportion of senior households who are homeowners falls in the income group *Greater than 100% of AMI* (see Figure 39).





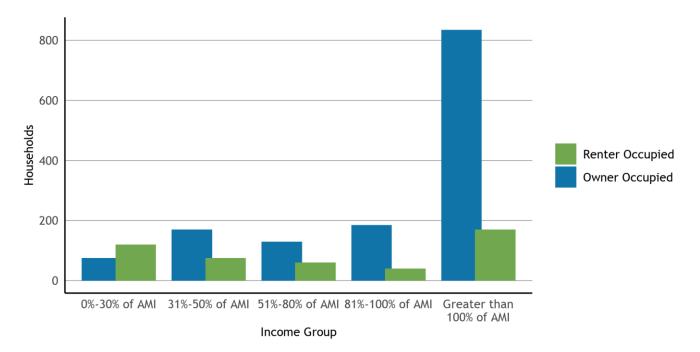


Figure 39: Senior Households by Income and Tenure

Universe: Senior households

Notes: For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-01.

6.4 People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose aging caregivers. Figure 40 shows the rates at which different disabilities are present among residents of Healdsburg. Overall, 9.6% of people in Healdsburg have a disability of any kind.²²

²² These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.





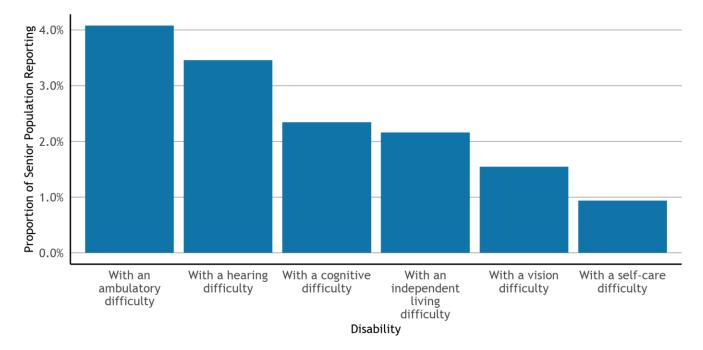


Figure 40: Disability by Type

Universe: Civilian noninstitutionalized population 18 years and over

Notes: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty: has difficulty that difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty: has difficulty doing errands alone such as visiting a doctor's office or shopping.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107.

For the data table behind this figure, please refer to the Data Packet Workbook, Table DISAB-01.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.²³

In Healdsburg, of the population with a developmental disability, children under the age of 18 make up 44.3%, while adults account for 55.7%.

²³ For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.





Table 5: Population with Developmental Disabilities by Age

Age Group	value
Age 18+	39
Age Under 18	31

Universe: Population with developmental disabilities

Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction. Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020) This table is included in the Data Packet Workbook as Table DISAB-04.

The most common living arrangement for individuals with disabilities in Healdsburg is the home of parent /family /guardian.

Table 6: Population with Developmental Disabilities by Residence

Residence Type	value
Home of Parent /Family /Guardian	58
Independent /Supported Living	9
Other	3
Foster /Family Home	3
Community Care Facility	3
Intermediate Care Facility	0

Universe: Population with developmental disabilities

Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction. Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020) This table is included in the Data Packet Workbook as Table DISAB-05.

6.5 Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances. In Sonoma County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 71.2% are unsheltered. Of homeless households with children, most are sheltered in emergency shelter (see Figure 41).





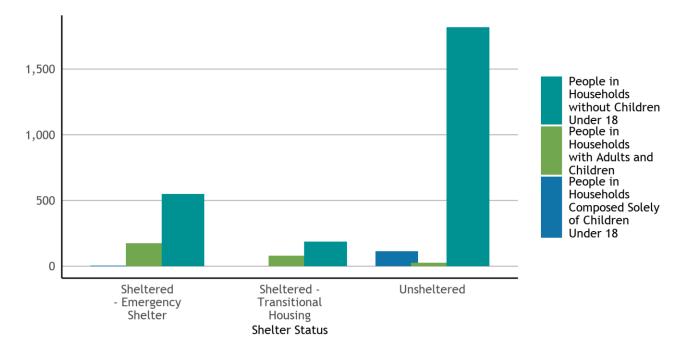


Figure 41: Homelessness by Household Type and Shelter Status, Sonoma County

Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)

For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-01.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area. In Sonoma County, White (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness and account for 64.7% of the homeless population, while making up 74.8% of the overall population (see Figure 42).





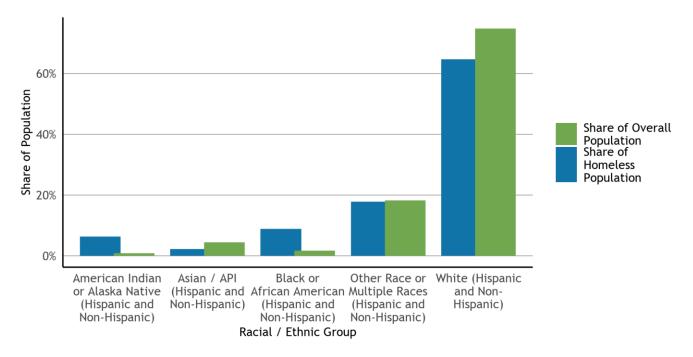


Figure 42: Racial Group Share of General and Homeless Populations, Sonoma County

Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latinx ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latinx ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latinx and non-Hispanic/Latinx individuals. Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-02.

In Sonoma, Latinx residents represent 28.2% of the population experiencing homelessness, while Latinx residents comprise 26.5% of the general population (see Figure 43).





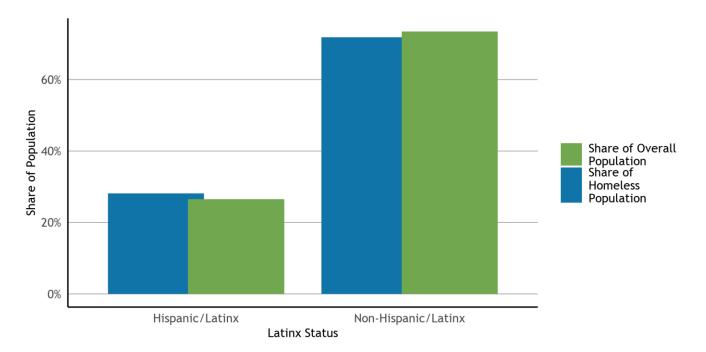


Figure 43: Latinx Share of General and Homeless Populations, Sonoma County

Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latinx ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latinx or non-Hispanic/Latinx) could be of any racial background.

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-03.

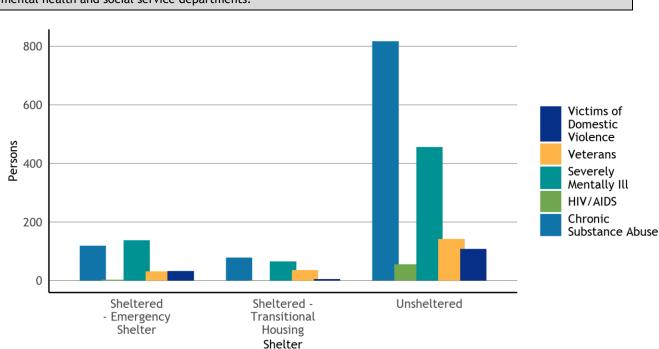
Many of those experiencing homelessness are dealing with severe issues - including mental illness, substance abuse and domestic violence - that are potentially life threatening and require additional assistance. In Sonoma County, homeless individuals are commonly challenged by chronic substance abuse, with 1,015 reporting this condition (see Figure 12). Of those, some 80.5% are unsheltered, further adding to the challenge of handling the issue.

Note on Homelessness Data

Notably all the data on homelessness provided above is for the entire county. This data comes from the Department of Housing and Urban Development's (HUD) Point in Time count, which is the most comprehensive publicly available data source on people experiencing homelessness. HUD only provides this data at the county-level and not for specific jurisdictions. However, Housing Element law requires local jurisdictions to estimate or count of the daily average number of people lacking shelter. Therefore, staff will need to supplement the data in this document with additional local data on the number of people experiencing homelessness. If staff do not have estimates of people experiencing homelessness in their jurisdiction readily available, HCD recommends contacting local service providers such as continuum-of-care providers, local homeless shelter and service providers, food







programs, operators of transitional housing programs, local drug and alcohol program service providers, and county mental health and social service departments.²⁴

Figure 44: Characteristics for the Population Experiencing Homelessness, Sonoma County

Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed.

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)

For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-04.

In Healdsburg, there were no reported students experiencing homeless in the 2019-20 school year. By comparison, Sonoma County has seen a 12.9% decrease in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5%. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

²⁴ For more information, see HCD's Building Blocks webpage for People Experiencing Homelessness: <u>https://www.hcd.ca.gov/community-development/building-blocks/housing-needs/people-experiencing-homelessness.shtml</u>





Table 7: Students in Local Public Schools Experiencing Homelessness

AcademicYear	Healdsburg	Sonoma County	Bay Area
2016-17	14	690	14990
2017-18	0	1445	15142
2018-19	0	345	15427
2019-20	0	601	13718

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

Notes: The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020) This table is included in the Data Packet Workbook as Table HOMELS-05.

6.6 Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In Healdsburg, the migrant worker student population totaled 36 during the 2019-20 school year and has decreased by 18.8% since the 2016-17 school year. The trend for the region for the past few years has been a decline of 2.4% in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 3.5% increase in the number of migrant worker students since the 2016-17 school year.

Table 8: Migrant Worker Student Population

AcademicYear	Healdsburg	Sonoma County	Bay Area
2016-17	85	825	4630
2017-18	60	789	4607
2018-19	36	738	4075
2019-20	69	854	3976

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

Notes: The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020) This table is included in the Data Packet Workbook as Table FARM-01.

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According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Sonoma County has increased since 2002, totaling 6,715 in 2017, while the number of seasonal farm workers has decreased, totaling 7,664 in 2017 (see Figure 45).

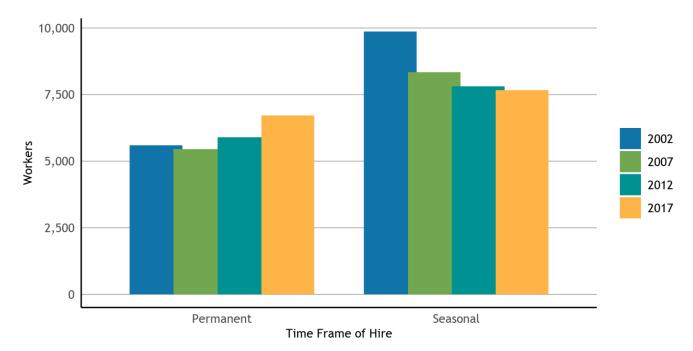


Figure 45: Farm Operations and Farm Labor by County, Sonoma County

Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors)

Notes: Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm. Source: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor For the data table behind this figure, please refer to the Data Packet Workbook, Table FARM-02.

6.7 Non-English Speakers

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns. In Healdsburg, 6.7% of residents 5 years and older identify as speaking English not well or not at all, which is above the proportion for Sonoma County. Throughout the region the proportion of residents 5 years and older with limited English proficiency is 8%.





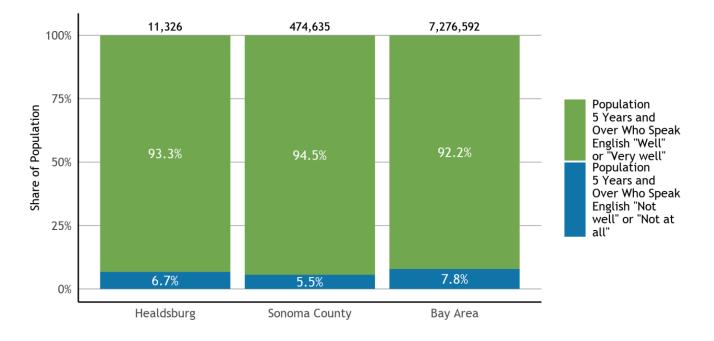


Figure 46: Population with Limited English Proficiency

Universe: Population 5 years and over Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005 For the data table behind this figure, please refer to the Data Packet Workbook, Table AFFH-03.





City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element Appendix D. Community Engagement and Input

Appendix D: Community Engagement and Input

The City of Healdsburg values community input and has maintained a focus on offering various opportunities for residents and community stakeholders to provide input on housing and development needs during the preparation of this Housing Element.

Government Code 65583(c)(7) requires that "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." This appendix documents how public engagement was sought and gathered during the update process, and how the input received from residents and stakeholders was incorporated into the preparation and content of the Housing Element.

Community engagement has informed the Housing Element Update from day one. This Appendix provides an executive summary of outreach conducted prior to the launch of the Public Review Draft and will be supplemented to incorporate community input on the draft following the 30-day public review period and prior to submittal to the California Department of Housing & Community Development (HCD). Appendix E contains the results of the Housing Needs & Opportunities Survey.¹ Continued updates on the Housing Element Update process and opportunities to comment are found at <u>bit.ly/HealdsburgHousing</u>.

Timeline of Community Engagement & Outreach

- January 2022:
 - City Council kick-off (1/3/22), presented by the consultant team and the subregional Napa Sonoma Collaborative
 - Community survey launched, receiving 500 individual responses
 - HEWG Workshop #1 (1/19/22) with project overview
 - HEWG Workshop #2 (1/31/22) on public outreach and housing site analysis
- February 2022:
 - 750 homes canvassed with a door-to-door bilingual flyer promoting the community survey, prioritizing neighborhoods with higher proportions of renters in areas designated Low Resource on TCAC/HCD Opportunity Maps
 - Bilingual mailer sent to all City utility customers to promote community survey.
 - HEWG Workshop #3 (2/28/22) on public outreach, housing site analysis, and programs/policies
- March 2022:
 - HEWG Workshop #4 (3/14/22) on housing site analysis and programs/policies

¹ NOTE: Page numbers in Appendix E are truncated due to the omission of personal contact information in the Public Review Draft.

- April 2022:
 - HEWG Workshop #5 (4/11/22) on housing site analysis, public outreach, programs/policies, and scope of future work during the Housing Element implementation phase
 - Housing development stakeholder engagement with survey tailored to inform analysis of governmental and non-governmental constraints
 - Planning Commission Workshop (4/26/22) on Draft Housing Strategy
- June 2022:
 - City Council Workshop (6/6/22) on Draft Housing Strategy
- July 2022:
 - HEWG Workshop #6 (7/11/22) on revised Draft Housing Strategy, quantified objectives, and scope of future work during Housing Element implementation phase
- August 2022:
 - HEWG Workshop #7 (8/8/22) on fair housing contributing factors and quantified objectives
- September 2022:
 - Launch of Public Review Draft Housing Element (9/30/22), distributed to residents and community stakeholders for 30-day public comment period
- October 2022:
 - Planning Commission Workshop (10/11/22) on Public Review Draft Housing Element
 - Housing Element Presented to the Chamber of Commerce at the Good Morning Healdsburg! Public meeting.
 - Spanish translation of Draft Housing Element for public review
- November 2022:
 - Incorporation of public comment from 30-day public review into draft for submittal to California Housing & Community Development (HCD)
- February/March 2023 [planned]:
 - Planning Commission & City Council adoption hearing

City of Healdsburg Housing Element Update

The Housing Element of Healdsburg's General Plan shapes housing policy for the next eight years. Take the community survey below and make your voice heard!

TO SCAN: OPEN PHONE CAMERA & TAP CODE



OUESTIONS? HousingElement@Healdsburg.gov

Ciudad de Healdsburg Elemento De Vivienda

El Elemento de Vivienda introduce las metas y pólizas de la Ciudad relacionadas a la vivienda para los próximos 8 años. ¡Tome la encuesta abajo y aporte su voz sobre las necesidades más grandes de vivienda de Healdsburg!

PARA ESCANEAR: TOQUE LA CÁMARA DEL TELÉFONO



Español

Inglés

PREGUNTAS? HousingElement@Healdsburg.gov

Housing Element Work Group (HEWG)

During the preparation and implementation of the 5th Housing Element Cycle, the City of Healdsburg convened a Community Housing Committee to guide the development of a Housing Action Plan (HAP), which served as the basis for existing policies and programs going into the 6th Cycle Housing Element. The Housing Element Work Group (HEWG, pronounced "huge"), a diverse group of community stakeholders convened to guide priorities throughout the preparation process, also steered community engagement. The motivation and success of the group organically led to the group building a roadmap for follow-up work in the 6th Housing Element implementation era (2023-2031), as the City's growing housing efforts formalized into a Housing Department.

Community Housing Needs & Opportunities Survey

The bilingual (English/Spanish) Housing Needs & Opportunities Survey was promoted with a flyer sent as a utility bill insert to every household in the City of Healdsburg, supplemented by doorhangers in neighborhoods with higher proportions of renters and Latino residents. The response is on par and slightly above prior surveys of community interest in Healdsburg at around 500 respondents, with 87% of responses in English and 13% in Spanish. A majority of respondents provided contact information, utilized for distribution of the Public Review Draft.

The biggest housing needs facing Healdsburg today (as identified by a supermajority of respondents) are housing choices in the lower price range (75%), housing for people who work here (73%), lower-cost rental housing (67%), and homes that are affordable to first-time homebuyers (66%).

Healdsburg's housing needs in the coming 10 years were identified as housing priced so younger Healdsburg residents can afford to live here (79%), and that businesses will need housing affordable to their workers (67%).

72% of respondents expressed support for missing middle housing such townhomes and low-rise multiplexes, and 55% supported accessory dwelling units. These predominated other options including senior housing, cohousing, and mid-rise housing downtown.

Members of the public have provided public comment at community workshops held with the Housing Element Work Group (HEWG), Planning Commission, and City Council. Perspectives offered have ranged from affordable housing residents to housing advocates.

Stakeholder Engagement

Outreach to housing developers, construction industry representatives and real estate professionals helped to inform the Housing Element, and particularly the analysis of constraints to housing development within the Technical Background Report (Section 4). A survey to identify constraints and solicit programmatic responses was circulated to relevant members of the Healdsburg community and an extensive list of affordable and market-rate housing developers practicing in the Greater San Francisco Bay Area. The complete results of the stakeholder survey are listed in Appendix E, and the primary constraints to development identified were as follows:

- Growth management ordinance (GMO)
- Cost of construction (labor)
- Community opposition
- Cost of construction (materials)
- Fees and exactions
- Land costs

The City's Housing Director proactively represented the City throughout the Housing Element process, with an open-door policy to engage members of the community. This resulted in meetings between the Housing Director, the consultant team, and community representatives including non-profit organizations, City departments, and County agencies; discussions on the Housing Element that arose organically around community events; and a speaking engagement with the Healdsburg Chamber of Commerce. At every opportunity or public meeting on housing, the City's Housing Director directed the public to the City's Housing Element or invited community members to attend the HEWG meetings.

Fair Housing Contributing Factors

In addition to informing the development landscape, stakeholders were consulted to inform the City's development of affirmatively furthering fair housing (AFFH). The Housing Element Working Group led input on a list of potential contributing factors to fair housing, narrowing it down to the 4-6 factors recommended by HCD. Discussion with the HEWG affirmed the quartet of key issues centered around supply in Healdsburg's expensive housing market, as contrasted with contributing factors perhaps more traditionally construed as fair housing issues such as housing discrimination, disinvestment, or distress. The complete contributing factors analysis is featured in the Technical Background Report of this Housing Element (Section 4).

Public review of the initial Housing Element draft yielded further recommendations from fair housing service providers and advocates.

Public Review Draft Housing Element Update

Pursuant to State law, the Housing Element was circulated for 30-day public review from September 30 to October 30, 2022, with 10 working days of reflection in the revised draft prior to HCD submittal (October 31 - November 14, 2022).

Over 500 community members previously involved in the Housing Element process were contacted, and a survey issued to provide an alternative method of commenting on the plan.

The Planning Commission hosted a community workshop on October 11, 2022, which yielded extensive comment from the Commission and members of the public. Further written comments were received in the remainder of the public review period, summarized in the table below:

Commentor Name/Title	Organization (if applicable)	Date Received	Submittal Method	Comment Theme	Resolution
Commissioner	Planning Commission	10/11/2022	Public Study Session	Utility Capacity Constraints	Considered. Text edits in Sites section and Constraints section.
Commissioner	Planning Commission	10/11/2022	Public Study Session	Special Needs and AFFH Sections	Considered. Table and text edits in AFFH Chapter and edits to Program 8.
Commissioner	Planning Commission	10/11/2022	Public Study Session	ADUs	Considered. Methodology for estimating number of ADUs is an HCD-certified approach. Edits to reference 2022 permits to-date and revise timing of program.
Commissioner	Planning Commission	10/11/2022	Public Study Session	Constraints	Considered. Text edits to Constraints section and changes to Code Amendments (Program 4).
Commissioner	Planning Commission	10/11/2022	Public Study Session	Constraints	Considered. The HEWG will be addressing these considerations as part of the group's ongoing work. Edits to Program 1.
Commissioner	Planning Commission	10/11/2022	Public Study Session	Constraints	Considered. Text edits in Constraints section.
Commissioner	Planning Commission	10/11/2022	Public Study Session	Design Review	Considered. Text edits to Programs and reference to Objective Design Standards. (Program 4).
Commissioner	Planning Commission	10/11/2022	Public Study Session	Environmental Resources	Considered. Text edits in Sites section and Constraints section.
Public Comment	Member of Public	10/11/2022	Public Study Session	Planning priorities	Considered. No changes made to text to allow for Council to prioritize based on emerging opportunities and funding.

Public Comment	Member of Public	10/11/2022	Public Study Session	ADUs	Considered. Text edits in Program 5.
Renee Schomp, Director	Napa Sonoma ADU Center	10/21/2022	Email	ADUs	Considered. Text edits in Program 5.
Kaitlyn Garfield, Housing Administrator	Housing Land Trust of Sonoma County	10/27/2022	Email	Partnerships; Preservation of units; Inclusionary housing	Considered. See Program 1 (partnerships), Program 2 (preservation), and Program 5 (inclusionary).
Collin Thoma, Systems Change Advocate	Disability Services and Legal Center (DSLC)	10/28/2022	Email	People with disabilities	Considered. Text edits with respect to Universal Design (see Program 8).
Margaret DeMatteo, Legal Aid of Sonoma County, et al	Sonoma County Housing Element Working Group	11/1/2022	Email	Public outreach	Considered. The City will comply with all statutorily-required timelines.
Jen Klose, Executive Director	Generation Housing	11/1/2022	Email	Second homes; Rental registry; Prohousing designation; Timeframes for achieving objectives; Workforce housing; Document organization	Considered. Program to pursue Prohousing Designation added (see Program 1). Table of contents expanded, with links to appropriate sections.
Tallia Hart, CEO	Healdsburg Chamber of Commerce	11/7/2022	Email	Displacement; Growth management ordinance (GMO); Development impact fees; Homeless services; Countywide homeless survey; Parking standards for emergency shelters	Considered. Text edits in Constraints section and edits to Program 1.

Evolution & Future of the Housing Department

The City of Healdsburg has committed to proactive advancement of its goals throughout the 6th Housing Element Cycle and has enabled powerful capacity changes to ensure that the City can accomplish and exceed benchmarks.

Over the course of Housing Element preparation, the Healdsburg community has returned to one word: aspirational. Community engagement is a required component of this plan, yet the City of Healdsburg refuses to simply check boxes - when it comes to housing, it aspires to do more than required, to go above and beyond for its current and future residents, and to ensure that the community's voices are heard and meaningfully incorporated.

In under a year, the City has doubled its housing staff capacity. The City's Housing Administrator was promoted to Housing Director, and an Administrative Analyst II was hired to expand capacity and respond to community priorities (including, but not limited to, bilingual community engagement and affordable housing monitoring). Concurrent to the Housing Element process, the City converted its first homeless shelter, continued to lead among small jurisdictions in the region in the development of affordable housing, and received authorization from City Council to pursue the State's Prohousing Designation.

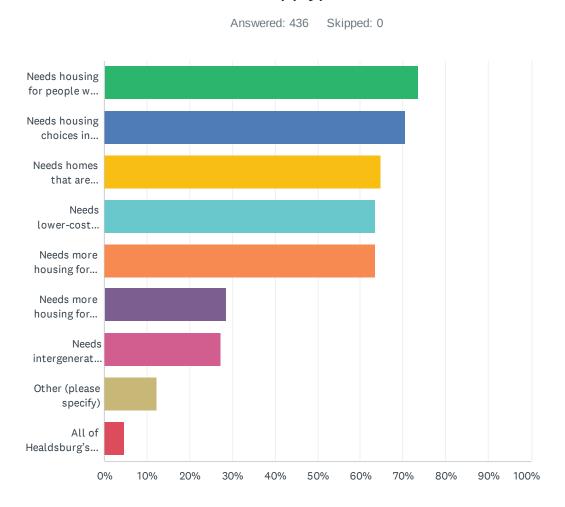
The HEWG has expressed interest in continuing to inform the City's processes beyond the development of the Housing Element into the next eight years of implementation. Between expanded capacity and the continued dedication of local leaders, Healdsburg is well-equipped to continue down an aspirational path toward greater housing opportunity.

City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element

<u>Appendix E.</u> Community Survey Results and Stakeholder Survey Results

Q1 The biggest housing needs facing Healdsburg today are (check all that apply):



ANSWER CHOICES	RESPONSES	
Needs housing for people who work here	73.62%	321
Needs housing choices in lower price range	70.64%	308
Needs homes that are affordable to first-time homebuyers	64.91% 2	283
Needs lower-cost rental housing	63.53% 2	277
Needs more housing for young families and workers	63.53% 2	277
Needs more housing for seniors	28.67% 1	125
Needs intergenerational living options	27.29% 1	119
Other (please specify)	12.39%	54
All of Healdsburg's housing needs are being met	4.59%	20
Total Respondents: 436		

#

OTHER (PLEASE SPECIFY)

DATE

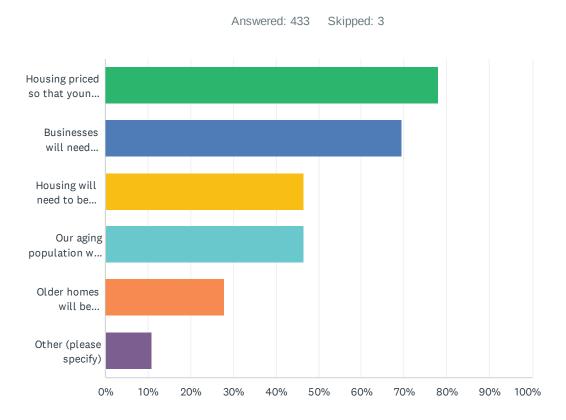
City of Healdsburg Housing Needs and Opportunities Survey

1	workforce affordable home ownership homes	5/10/2022 9:22 PM
2	Needs incentives for renting vacant summer homes.	3/17/2022 6:25 PM
3	It does not need more hotels	3/14/2022 8:38 PM
4	Just more. Repeal the GMO.	3/14/2022 12:04 PM
5	Need to address the lack of water!	3/14/2022 8:59 AM
6	Healdsburg's low or even lower cost housing needs are NOT being met. Promises made by high end developers to include "low cost housing" in exchange for the city allowing their development to be permitted are not being followed through and I have seen the COH do NOTHING to go after the developer(s) to force compliance with fines or? e.g. Saggio Hills/Montage.	3/13/2022 8:44 PM
7	Affordable rentals that are not group together and that are not Apartments	3/13/2022 12:34 PM
8	Lower cost of housing for the people who live in healdsburg	3/12/2022 11:37 AM
9	Needs cohousing	3/12/2022 6:20 AM
10	Don't punish Landlord's for the City's lack of low rent housing. Build & convert more.	3/11/2022 11:33 PM
11	Need affordable housing for first time home buyers! The next generation cannot afford to live here!	3/11/2022 10:36 PM
12	Housing isn't an issue. Continuing to build out is the problem. Dog chasing it's tail. More building, more workers, less housing. 2017 was sweet spot. I could get day work in Fulton which is where the day workers ARE. 10-15 minutes from Healdsburg. Now there is pumper to bumper traffic, accidents, people tailgating all stressed out. Look at Marin or Carmel. These questions are not thoughtful. You are ruining our charming small town. Turning it into the bay area places that all those people are trying to escape. STOP allowing Montage and all the rest. Healdsburg is slipping away.	3/11/2022 4:42 PM
13	Need housing for rent to own	3/11/2022 4:31 PM
14	meet water needs for Healdsburg residents first and foremost, precluding second homes, vacation homes and hotels and motels.	3/11/2022 1:59 PM
15	Stop all building till we have a water solution	3/11/2022 9:44 AM
16	Affordable housing for seniors	3/11/2022 6:59 AM
17	Needs supportive permanent housing for homeless people	3/10/2022 5:44 PM
18	Water we need to consider to much building and not enough water for each house hold now	3/9/2022 10:49 AM
19	Water concerns are main priority	3/8/2022 11:37 AM
20	North Village and development in center of townLuxury "urban sprawl" greed@	3/6/2022 11:27 AM
21	Restrictions on 2nd homes	3/5/2022 7:10 PM
22	If we stop approving nore hotels and wineries, there will be fewer workers needed. Workers in those places need to be paid more so they can afford to live here.	3/4/2022 5:34 PM
23	needs to consider water availability in the future and avoid water rationing and avoid hefty fines	3/4/2022 3:51 PM
24	Less catering to part time residents and tourists	3/4/2022 11:29 AM
25	add PARKING and no more hotels!	3/3/2022 3:58 PM
26	Stop building please	3/3/2022 8:24 AM
27	Needs affordable housing for middle income households	3/2/2022 6:30 PM
28	Insufficient water supply and water infrastructure!	3/2/2022 10:07 AM
29	The landlords and those acting on behalf of the landlords should be accountable. We already know what government housing is like.	3/2/2022 9:59 AM

City of Healdsburg Housing Needs and Opportunities Survey

31		
~-	Healdsburg needs more housing of every type.	2/18/2022 5:37 PM
32	We do not need more luxury housing and hotels	2/3/2022 4:08 PM
33	Allow more building add ins vanny units etc and quit charging an arm and a leg to do so	2/3/2022 11:43 AM
34	Need more flexibility for building expensive and affordable houses at the same time.	2/2/2022 2:51 PM
35	Need more inventory. The 30 unit cap is brutal. Approving projects like Mill Street District doesn't help the local housing issues as those homes aren't mean for the local community.	2/2/2022 11:49 AM
36	Outlaw air b&b and similar	2/2/2022 8:41 AM
37	When you apply for permits to add housing lady or guest on your property the city makes it so expensive and unreasonable. That nobody can afford to add for family members or helping the housing shortage.you need solar panels, sprinklers, sidewalk change for handicap and upgrade of gas line to main	2/2/2022 7:55 AM
38	Me and my husband are both working class. We want to start a family but there is no homes here for first time buyers. We have the money there's just nothing available. We both grew up here in healdsburg and now we are being pushed out due to high cost of living. We are both 25 years old this city is not kind to young adults.	2/2/2022 7:31 AM
39	Need for more housing for folks in the 60-120% ami range whether it be rentals or homes to purchase.	2/1/2022 9:50 PM
40	More diversity of housing products	2/1/2022 3:00 PM
41	We need to make Healdsburg more like Ross in Marin County. If employees of business here in town want to live here then they should pay market rates. Business owner in town (generally the Hospitaltity sector) should pay employees a livable wage so they can live here. Us locals who have been living here for decades are tired of subsidizing the business owners who don't pay a fair wage for employees. Then we think it's good to start non profits to subsidize the business owners for not paying the market rate. We should have no government programs in place and let the market dictate what happens.	1/30/2022 9:26 PM
42	Healdsburg needs housing in the \$3-400,000 range	1/29/2022 7:13 PM
43	Need smaller house options for seniors/single people. In my neighborhood many single people occupy large homes.	1/29/2022 1:52 PM
44	Any housing development needs to be based on the scarcity of water. If you cannot add your own water, you should not build.	1/29/2022 12:01 PM
45	No more Market Rate! We're losing our soul with more and more wealthy weekenders buying-in and driving up prices	1/22/2022 10:06 AM
46	Cohousing, PSH	1/20/2022 7:48 PM
47	All forms of housing	1/20/2022 7:29 PM
48	Rental housing for younger residents who have not yet began a family	1/20/2022 10:46 AM
	There is no water	1/20/2022 10:24 AM
49 50	There is no water Needs to cancel GMO	1/20/2022 10:24 AM 1/19/2022 8:56 PM
49 50		
49 50 51	Needs to cancel GMO No more starter mansions, no more developments where afordable housing is demolished and replaced with \$500K+ "appartments". Adult supervision of the planning commision would be	1/19/2022 8:56 PM
49	Needs to cancel GMO No more starter mansions, no more developments where afordable housing is demolished and replaced with \$500K+ "appartments". Adult supervision of the planning commision would be good We really don't need any more housing in this town. Why is it that all these beautiful little	1/19/2022 8:56 PM 1/17/2022 8:42 AM

Q2 Healdsburg's housing needs in the coming 10 years will include (check all that apply):



ANSWER C	HOICES	RESPONSES	
Housing pric	ed so that younger Healdsburg residents can afford to live here	78.06%	338
Businesses	will need housing affordable to their workers	69.52%	301
Housing will	need to be priced to attract new families to Healdsburg	46.42%	201
Our aging po	pulation will need accessible, well-designed housing options	46.42%	201
Older homes	will be deteriorating and in need of repair	27.94%	121
Other (pleas	e specify)	10.85%	47
Total Respon	ndents: 433		
#	OTHER (PLEASE SPECIFY)	DATE	
1	Renters will need protection from arbitrary evictions and out of control rent increases	6/9/2022 3:14 PM	
2	Priced to buy for 1st home owners that are seniors	5/24/2022 4:41 PN	1
3	Needs incentives for renting empty out of towner homes	3/17/2022 6:25 PN	1
4	Water lack is an issue!	3/14/2022 8:59 AN	1
5	HA. HA. Items 1, 2, 3 above. I have seen no movement in that direction.	3/13/2022 8:44 PN	1
6	Older homes are Not to be replaced by ugly eye sores	3/13/2022 12:34 P	Μ
7	Grants for Landlord's for improvements& ADU's.	3/11/2022 11:33 P	Μ

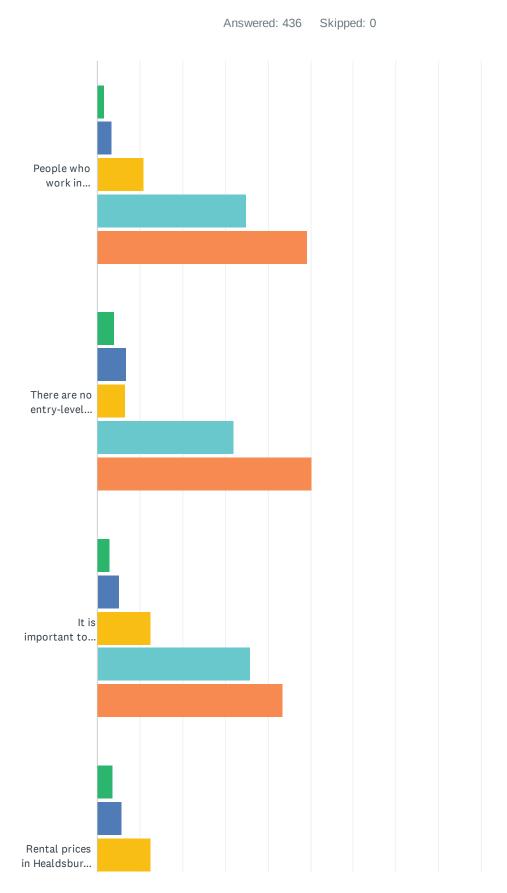
City of Healdsburg Housing Needs and Opportunities Survey

8	We don't wanna be a tourist town with all rich out of towners buying all the house for ridiculous prices	3/11/2022 10:40 PM
9	Unimaginative question.	3/11/2022 4:42 PM
10	The City of Healdsburg needs to supplement housing for people earring under \$60K. The market rate of land does not allow for low cost development.	3/11/2022 4:31 PM
11	on premis parking	3/11/2022 1:59 PM
12	Housing choices in a lower price range.	3/11/2022 1:16 PM
13	Keep custom homes in healdsburg and less developments of cookie cutter homes	3/11/2022 1:00 PM
14	Still will be needing water.	3/9/2022 10:49 AM
15	We need to stop building	3/8/2022 12:33 PM
16	Population should remain the same.	3/8/2022 11:37 AM
17	Improvements are fine but HIdsby is a QUIET small town PLEASE stop building for more income and also higher city salaries?????	3/6/2022 11:27 AM
18	see above stoop approving hotels, events, pay workers more.	3/4/2022 5:34 PM
19	plenty of new housing projects are going on right now including the Mill district and northern part of city affordable housing	3/4/2022 3:51 PM
20	Hlbg has chosen tourisme as its primary source of revenue. If things continue it will no longer be the charming town people want to visit.	3/3/2022 3:58 PM
21	Water supply is insufficient and not keeping up with new construction.	3/2/2022 10:07 AM
22	No water available to increase housing	3/1/2022 6:45 AM
23	No new housing until water issues are met!!	2/28/2022 3:18 PM
24	New housing impacts on available water resourses	2/7/2022 2:31 PM
25	Finding ways to increase economic opportunity to increase income	2/7/2022 10:24 AM
26	ecologically sound practices	2/3/2022 1:49 PM
27	Houses priced under 700,000 for Fucking families to buy who grew up here. It's bullshit	2/3/2022 1:27 PM
28	Housing for workers in agriculture, hospitality	2/3/2022 7:00 AM
29	More inventory will be needed. Remove the 30 unit cap.	2/2/2022 11:49 AM
30	Loosening restrictions on new starts in general. Allow the free market to help set pricing. Restricting growth only compounds the price of a home in a highly desirable area.	2/2/2022 7:27 AM
31	Cheaper rentals/prices for Healdsburg workforce and you see families.	2/2/2022 4:54 AM
32	Less construction	2/2/2022 1:55 AM
33	More low and affordable properties built	2/1/2022 10:50 PM
34	Cheaper housing for everyone	2/1/2022 10:16 PM
35	Large funding sources need to be established to protect the existing housing stock of older rentals and new projects need to have units for the 60-120% ami earners. As labor remains tight and growth is accelerated workers will earn more and more each year over the next ten years. How will our road map for housing be able to support this growth in earning. There needs to be a clear action plan that takes this into account.	2/1/2022 9:50 PM
36	See first answer.	1/30/2022 9:26 PM
37	We are a small town geographically. How about building south of town where they have more access to water.	1/29/2022 12:01 PM
38	Housing will need to be priced to attract *any* new residents, not just young people and families.	1/28/2022 3:07 PM

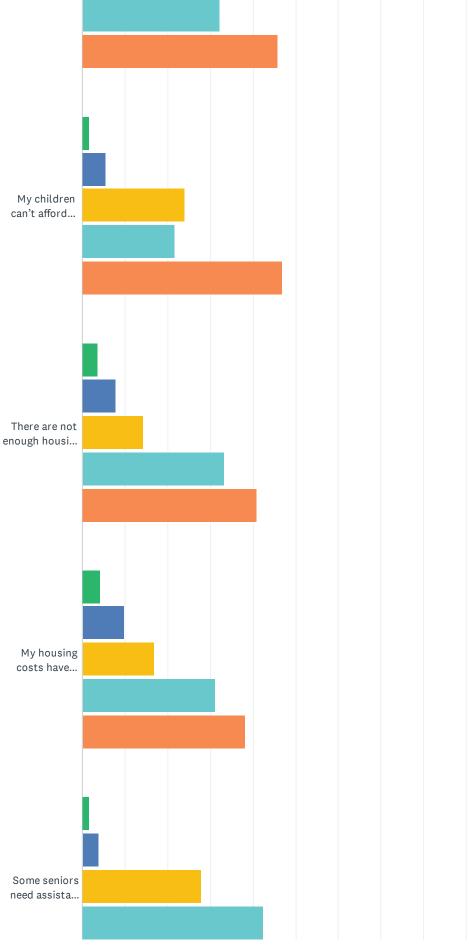
City of Healdsburg Housing Needs and Opportunities Survey

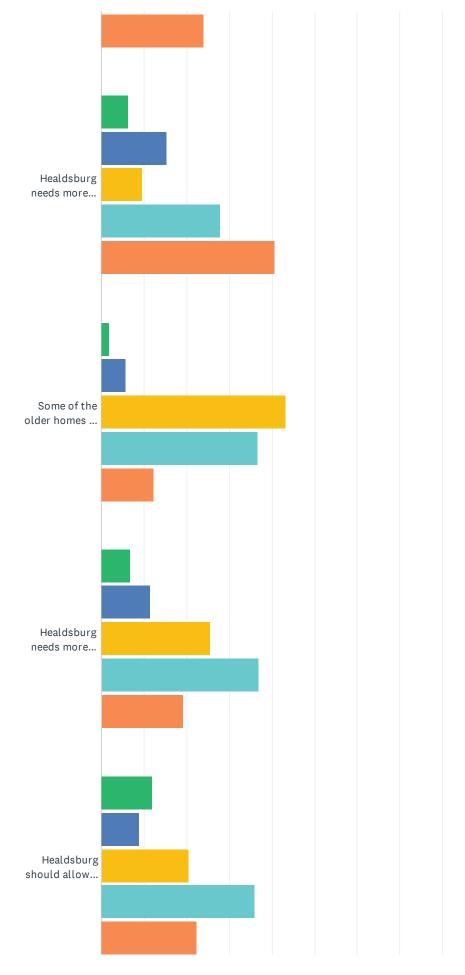
39	Mo more Market Rate housing	1/22/2022 10:06 AM
40	Healdsburg needs to figure out it's water policy to get more water 1st before any more building goes on	1/21/2022 6:28 AM
41	More multi family options	1/20/2022 7:48 PM
42	Do not discriminate. Market rate on down to workforce	1/20/2022 7:29 PM
43	All of the above	1/20/2022 1:28 PM
44	a little of everything	1/20/2022 11:37 AM
45	Housing programs to invest in the construction of the home, and restrictions for outsiders to purchase multiple homes and airBnb them or rent them out	1/20/2022 10:46 AM
46	There is no water	1/20/2022 10:24 AM
47	More ADU's allowed and lowered permiting fees	1/15/2022 6:47 AM

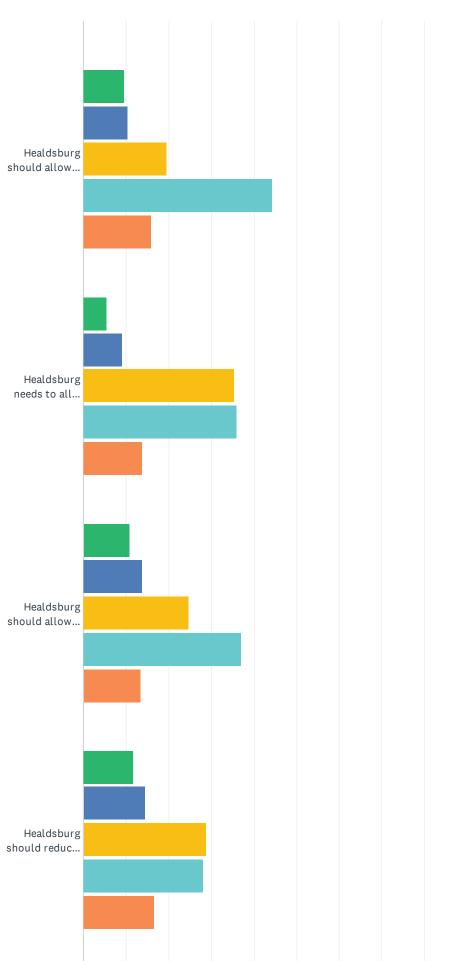
Q3 Please rank your level of agreement with each of the following statements:

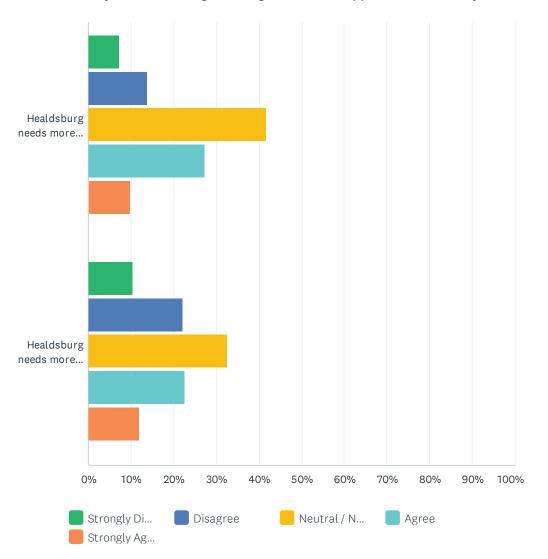


City of Healdsburg Housing Needs and Opportunities Survey



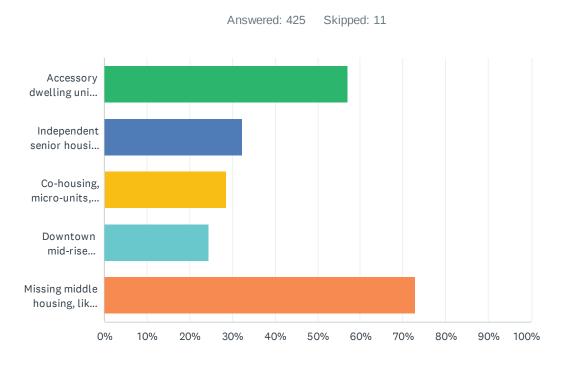






	STRONGLY DISAGREE	DISAGREE	NEUTRAL / NO OPINION	AGREE	STRONGLY AGREE	TOTAL	WEIGHTED AVERAGE
People who work in Healdsburg can't afford to live here	1.61% 7	3.44% 15	10.78% 47	34.86% 152	49.31% 215	436	1.73
There are no entry-level homes to purchase in Healdsburg	4.14% 18	6.90% 30	6.67% 29	31.95% 139	50.34% 219	435	1.83
It is important to preserve Healdsburg 's neighborhoods	3.01% 13	5.09% 22	12.50% 54	35.88% 155	43.52% 188	432	1.88
Rental prices in Healdsburg are too high	3.67% 16	5.73% 25	12.61% 55	32.11% 140	45.87% 200	436	1.89
My children can't afford to live here in Healdsburg	1.62% 7	5.56% 24	24.07% 104	21.76% 94	46.99% 203	432	1.93
There are not enough housing options in Healdsburg	3.69% 16	7.83% 34	14.29% 62	33.18% 144	41.01% 178	434	2.00
My housing costs have increased in the last 5 years	4.19% 18	9.77% 42	16.74% 72	31.16% 134	38.14% 164	430	2.11
Some seniors need assistance to remain in their homes	1.62% 7	3.94% 17	27.84% 120	42.46% 183	24.13% 104	431	2.16
Healdsburg needs more housing options for all income levels	6.48% 28	15.28% 66	9.49% 41	28.01% 121	40.74% 176	432	2.19
Some of the older homes in Healdsburg need rehabilitation	1.85% 8	5.77% 25	43.19% 187	36.72% 159	12.47% 54	433	2.48
Healdsburg needs more mixed-use development	6.73% 29	11.60% 50	25.52% 110	36.89% 159	19.26% 83	431	2.50
Healdsburg should allow more apartments to be built	12.01% 52	9.01% 39	20.55% 89	36.03% 156	22.40% 97	433	2.52
Healdsburg should allow small apartments throughout the city	9.70% 42	10.39% 45	19.63% 85	44.34% 192	15.94% 69	433	2.54
Healdsburg needs to allow more housing in conjunction with existing businesses	5.62% 24	9.13% 39	35.36% 151	36.07% 154	13.82% 59	427	2.57
Healdsburg should allow fourplexes throughout the city	10.85% 47	13.86% 60	24.71% 107	37.18% 161	13.39% 58	433	2.72
Healdsburg should reduce parking requirements where safety allows	11.76% 50	14.59% 62	28.71% 122	28.24% 120	16.71% 71	425	2.76
Healdsburg needs more housing in commercial corridors	7.21% 31	13.95% 60	41.86% 180	27.21% 117	9.77% 42	430	2.82
Healdsburg needs more housing near the Downtown Area	10.42% 45	22.22% 96	32.64% 141	22.69% 98	12.04% 52	432	2.96

Q4 Please indicate what types of new housing you feel would be most successful in Healdsburg today:



ANSWER CHOICES	RESPONS	ES
Accessory dwelling units (second units/granny units/junior units)	57.18%	243
Independent senior housing and residential care facilities for seniors or persons with disabilities	32.47%	138
Co-housing, micro-units, and single room occupancy	28.47%	121
Downtown mid-rise (5-story) apartments	24.47%	104
Missing middle housing, like townhouses and low-rise multiplexes	72.94%	310
Total Respondents: 425		

Q5 What are some unique features of Healdsburg that can be housing opportunities for the community? For example:• Locations for multifamily housing (e.g. planned SMART Station, South Entry, Healdsburg Avenue Corridor)• Detached garages and other accessory structures converted into housing• Large homes modified to accommodate more residents• Additional units on large lots• Commercial and industrial area converted to housing

Answered: 277 Skipped: 159

#	RESPONSES	DATE
1	1. Understand and communicate the probability of Smart coming to Healdsburg, and then plan accordingly. 2. realistically assess current industrial zones and determine probability of a return of industry. Revise for housing as needed.	9/29/2022 7:45 PM
2	A second SMART station should be built in the gravel patch next to the community center so more suburban residents are less dependent on cars.	9/5/2022 10:05 AM
3	Additional units on large lots, Commercial and industrial area converted to housing	6/9/2022 3:14 PM
4	Con-Dops commercial businesses will have apartment above or beside then	5/24/2022 4:41 PM
5	We have many vacant lots within the City limits that could provide space for in-fill housing. All housing should be owner-occupied (possibility for "sweat-equity" construction).	5/10/2022 9:22 PM
6	I would like to see small affordable units near the train tracks, should the train ever reach HBG	4/13/2022 11:56 AM
7	All of the above are great ideas.	3/30/2022 9:31 PM
8	Commercial and industrial areas converted to housing, large homes modified	3/25/2022 5:18 PM
9	None	3/20/2022 4:00 PM
10	Using locations for apartments rather than mega-million condos and hotels.	3/20/2022 11:02 AM
11	Affordable housing purchase/rental options for residents who live and work in Healdsburg.	3/20/2022 9:04 AM
12	Large lots need home options!	3/17/2022 6:25 PM
13	Commercial and industrial area converted to housing	3/16/2022 5:08 PM
14	Detached garages and other accessory units converted into houses, large homes modified to accommodate more residents,	3/16/2022 1:18 PM
15	You worry about Airbnb and then want To cram people into garages And small units to room the neighborhood???	3/16/2022 9:27 AM
16	The light industrial area along Grove would be better as housing and restaurants and shops.	3/15/2022 4:20 PM
17	Multi family @ Healdsburg lumber site when they move would be a good idea	3/14/2022 9:32 PM
18	Unknown	3/14/2022 5:45 PM
19	Redevelopment of a number of existing vacant or under-utilized small (4-8 unit) apartment complexes in town	3/14/2022 4:08 PM
20	I think mixed use residential/business is great.	3/14/2022 3:28 PM
21	This survey stress more building- where will you get water to service all these units?	3/14/2022 8:59 AM
22	All of the above	3/14/2022 8:17 AM

23	Commercial area converted into housing	3/13/2022 10:04 PM
24	• Commercial and industrial area converted to housing • Locations for multifamily housing (e.g. planned SMART Station, South Entry, Healdsburg Avenue Corridor) Of course, any and all of this means nothing if housing is not truly affordable and affordable rents are not tied to the cost of living index at the very least.	3/13/2022 8:44 PM
25	Low rise housing in areas needing redevelopment	3/13/2022 8:22 PM
26	we don't have the water and sewer treatment facility for houses and comercial buildings	3/13/2022 5:31 PM
27	No smart train, no more people, this area must be preserve,	3/13/2022 12:34 PM
28	Like all the examples mentioned above.	3/13/2022 12:31 PM
29	Construction of new affordable units on vacant / unused plots. Extension of city limits with carefully planned construction of affordable homes. We don't want to leave Healdsburg with our family but soon we won't be able to afford to live here and my teens despair of ever being able to buy a home here and have families here. It's a sad outlook for a town that was so community focused and family oriented up until a few years ago. Now it's a town of second homes and dwindling school enrollment. We still have time to turn this around!	3/13/2022 10:10 AM
30	There's no water for additional housing. When we have a detailed plan for water needs, then we should tailor the housing growth to the availability of water.	3/13/2022 9:08 AM
31	Stop building hotels for tourist and build housing for locals that is affordable on a single 40hr minimum wage income.	3/12/2022 12:08 PM
32	Needs more 4 bedroom 3 bathroom houses	3/12/2022 11:37 AM
33	Additional units on large lots; Detached garages and accessory structures converted into houses	3/12/2022 11:01 AM
34	Allow for additional units to be built on large properties at a highly reduced price for those of us that actually live here to be able to afford to complete. Change zoning is some older neighborhoods to allow for second units to be built on smaller lots or expansion of homes. I am not a huge fan of apartments but townhomes are nicer if you want to build those closer to downtown.	3/12/2022 9:50 AM
35	Middle income apartment developments with mixed use	3/12/2022 7:57 AM
36	Housing accessed via alleys	3/12/2022 6:20 AM
37	We just need to have home that people who work here and would like to live in town. Make it easier for people who was raised here to to able to come back home	3/12/2022 5:42 AM
38	All of the above	3/12/2022 4:50 AM
39	ranches, vineyards and industrial businesses to provide onsite housing for workers.	3/12/2022 1:07 AM
40	ADU's & help for landlord's.	3/11/2022 11:33 PM
41	Stop pushing this ridiculous tourism. This town is ruined by the greedy.	3/11/2022 10:40 PM
42	Commercial and industrial area converted to housing, affordable housing for the younger generation!	3/11/2022 10:36 PM
43	Anything that middle and low income families can afford. The multimillion housing being built are a slap in the face. For every construction there was supposed to be some housing available for low and middle income families. Most of the starting prices are over 600,000. What family can afford on a \$15/hr salary?	3/11/2022 8:34 PM
44	Anything. Just STOP building hotels.	3/11/2022 5:38 PM
45	Detached garage or above garage conversion with AFFORDABLE or scale: income, longevity as owner Permit Prices.	3/11/2022 5:26 PM
46	Stop building hotelsand spending MILLIONS on homeless and start investing in our local families through development of safe, affordable housing options.	3/11/2022 4:50 PM
47	Stop increasing the general population. Stop building buildings that require yet more workers who require yet more everythingwater, traffic, less green space, more stress, more	3/11/2022 4:42 PM

	accidents, more congestion. It's absurd.	
48	Rooms over garages, ADU and granny units, commercial and industrial and mixed use	3/11/2022 4:33 PM
49	Purchase land. Re-zone commercial land to residential zoning. The city should purchase the land at 13255 Healdsburg Avenue, Healdsburg for multifamily housing. https://www.cityfeet.com/cont/listing/13255-healdsburg-ave-healdsburg-ca-95448/cs24764820? sk=b802101264ad4e31a2e592c0c6a8d3f1	3/11/2022 4:31 PM
50	Commercial and industrial area converted to housing	3/11/2022 4:04 PM
51	More apartments and condos. Need denser housing, not more mega mansions	3/11/2022 3:46 PM
52	All of the above	3/11/2022 3:36 PM
53	Detached garages, granny units, town homes	3/11/2022 3:09 PM
54	Commercial and industrial COnversion to housing	3/11/2022 2:52 PM
55	Encourage real estate agents to prioritize homes for sale to primary residences rather than 2nd. or 3rd. vacation homes. It depletes our inventory which obviously you know. I know it's all about money but now it's greed. This is why we are loosing our Healdsburg charm.	3/11/2022 2:25 PM
56	not allowing outrageously pricy housing complexes to be built anywhere in Healdsburg. This will include the take over of any existing structures to be re-built at high - end prices.	3/11/2022 1:59 PM
57	Additional units on large lots Commercial and industrial area converted to housing	3/11/2022 1:16 PM
58	ADUs and JADUs	3/11/2022 12:20 PM
59	Overall the building of housing that only the very few can afford i.e. the Mill District is NOT in the best interests of Healdsburg. Although we are a tourist destination this town is also home to many people - We need housing that addresses the needs of the people who live here full time	3/11/2022 9:53 AM
60	Additional units on large lots. More middle-range housing rather than 2 and 3 million-dollar apartments or luxury homes.	3/11/2022 9:36 AM
61	Multi family and apartments/lofts near and around transit and highway access or commercial areas, easier permitting for ADUs.	3/11/2022 8:20 AM
62	Additional Units on Large Lots / ability to sub-divide large lots that ca accommodate min SqFt lot sizes for a house.	3/11/2022 8:12 AM
63	All of the above	3/11/2022 8:04 AM
64	?	3/11/2022 7:43 AM
65	Acquire old gas station lot on Healdsburg Ave and Piper for multi family housing. Allow area for "little houses" to be located	3/11/2022 7:20 AM
66	There is a huge need for more family homes not just million dollar plus condos	3/11/2022 7:00 AM
67	Affordable single family home rentals	3/11/2022 6:41 AM
68	Housing allowed in Commercial/industrial areas Fewer new permits for vineyards and high end hotels Locations for multi family housing with good public transportation Require new developments for tourist/wineries/hotels to fund or provide housing for their necessary employees Assess water use needs, no new businesses or hotels without city ensuring adequate water for RESIDENTS	3/11/2022 6:37 AM
69	Allow adus w/o tuff permitting. Allow 2-4plexes on large lots. Bust air bnb's Incentivize renting to local teachers for landlords	3/11/2022 4:56 AM
70	No more housing- we don't have enough water to support	3/11/2022 3:30 AM
71	Think of saftey approach we need less hotels and more housing There are plenty of houses in town but priced way to high that teachers cops and firefighter cant even afford to live in the community they serve. How about if the property is considered a non primary home then more taxes	3/11/2022 12:59 AM
72	I know aging residents that could downsize and "free up" family sized homes but there is no	3/11/2022 12:51 AM

affordable option for them to move into. The family homes are already here but they are occupied by retired residents that don't have enough incentive/opportunity to downsize. I think the idea of shared guest houses (for residents only) could help also. People may be holding on to extra rooms they only need for visitors and it's too expensive in our area for guests to stay at hotels. Some sort of shared rental unit that acts as a shared guest house for residents only could allow people to downsize while still hosting guests when needed.

73	Commercial area converted to housing	3/11/2022 12:18 AM
74	Stop allowing mansions built for 2 people or those that are second, third, etc homes within city limits that sit empty or are used as short term rentals.	3/10/2022 10:42 PM
75	Vacant lots, families willing to be part of a sweat program,	3/10/2022 9:59 PM
76	Many vacant lots around healdsburg in neighborhoods	3/10/2022 9:54 PM
77	In-fill housing in residential neighborhoods of multi-family homes. Depot area for mixed-use residential and transit hub. Leave commercial & industrial for future business growth. Think about TRANSIT when planning. Montage affordable housing is a one mile+ walk to SCTA 60 bus stop. Current 67 bus runs too infrequently to be used effectively by those new residents.	3/10/2022 8:14 PM
78	Multi-family dense housing around planned SMART depot, additional units / townhouses on larger lots, mixed use housing on commercial and industrial areas	3/10/2022 5:44 PM
79	Very concerned about any building when there is a question of not enough water. This is a serious problem. It is different in Windsor and SR.	3/9/2022 10:49 AM
80	No opinion	3/9/2022 10:03 AM
81	All of the above.	3/9/2022 9:17 AM
82	commercial and industrial area converted to housing	3/8/2022 4:22 PM
83	Stop building!!!	3/8/2022 12:33 PM
84	Open to above approaches.	3/7/2022 2:50 PM
85	Very large lots in parts of town are opportunities to build multi family dwellings. Some very old and dilapidated housing can be removed and replaced by multi family dwellings.	3/6/2022 11:51 AM
86	commercial and industrial area for housing detached garages and other structures converted to housing STOP HIGH PRICE developmentsruining character of HIdsb !	3/6/2022 11:27 AM
87	Exorbitant costs from City e. g. sewer improvements, make renovations and adding ADU's cost prohibitive	3/5/2022 7:10 PM
38	Locations close to transit. Detached garages converted into housing.	3/5/2022 4:56 PM
89	Housing for young families - well designed, smaller residences away from the freeway. Quality housing that workers can afford. Two-story apartment buildings that are well-designed with "green" features - solar, etc.	3/4/2022 7:05 PM
90	such a great place to live. Build slowly and carefully	3/4/2022 5:34 PM
91	Healdsburg needs to account for water needs of existing residents and current development before considering any new development	3/4/2022 3:51 PM
92	Commercial/industrial areas converted to housing development	3/4/2022 11:29 AM
93	The city management missed the opportunity to maintain the village like lifestyle of Healdsburg and became spellbound by the wine tasting room and restaurant obsession.	3/4/2022 7:09 AM
94	Many of these questions lack référence points (ex: "too expensive" to which I ask "compared to what?" This scattered approach may be one of the reasons the town has not developed well (IMHO).	3/3/2022 3:58 PM
95	Too many houses already	3/3/2022 8:24 AM
96	Commercial and industrial area converted to housing garages and other structures converted into housing. Limit people's ability to take up large lots with huge houses	3/2/2022 6:30 PM
97	Healdsburg should incorporate and incentivize cooperative housing, co-op businesses and land	3/2/2022 11:39 AM

trusts into its plan since the city has a strong community and this would strengthen this attribute while allowing for growth at more affordable prices.

	5 5	
98	Additional units on large lots, convert industrial areas, housing for multi family around smart Station and south end	3/2/2022 11:32 AM
99	planned multi-family community living residential situation	3/2/2022 10:33 AM
100	Fix the water supply and water infrastructure problem before any new feeds!	3/2/2022 10:07 AM
101	Multi family housing	3/1/2022 5:07 PM
102	Stop allowing developers to buy homes already over priced and then leveling them and selling them to San Francisco people for three times the price	3/1/2022 2:47 PM
103	all or above	3/1/2022 10:55 AM
104	More definitive judgement by Planning Commission and City Council to not allow new construction, either residential or commercial due to drought conditions and water usage	3/1/2022 8:23 AM
105	No housing opportunities due to no water	3/1/2022 6:45 AM
106	More affordable rental apartments and condos for purchase	2/28/2022 8:03 PM
107	Large homes modified to accommodate more residents	2/28/2022 7:53 PM
108	None	2/28/2022 4:29 PM
109	Granny units with minimal permit logger jam	2/28/2022 3:24 PM
110	We do need additional housing, however, that should be on hold until water needs are met. We already have too many new housing developments going in (North Hbg and Mill St). What about water, traffic, etc. Stop thinking about the money and consider the established residents of our City. NO MORE BUILDING!!!	2/28/2022 3:18 PM
111	All the above	2/28/2022 12:17 PM
112	Increase density in RM & MU zones. Add lots to the edges of RM & MU zones (expand the edges where it can make sense).	2/18/2022 5:37 PM
113	Put a cap on out of towners buying houses as investments/second homes	2/8/2022 5:16 PM
114	SB 9 New Law 2022	2/8/2022 11:23 AM
115	I like the commercial and industrial conversion option.	2/7/2022 6:54 PM
116	Additional units on large lots.	2/7/2022 4:05 PM
117	All of the above	2/7/2022 3:16 PM
118	High density housing for low income workers	2/7/2022 2:33 PM
119	#1	2/7/2022 2:07 PM
120	Community Services receives more TOT revenue than affordable housing does, yet the Council has said that affordable housing is a priority. Who will use our new Parks if no one can live here. Let's get our funding priorities right.	2/7/2022 10:24 AM
121	convert or intermix light industrial areas with housing. More density at south entry. Allow 3-4 tiny homes or cottages on larger lots in single family neighborhoods. The one above about converting larger homes to add households. Allow 2 ADUS on some of the larger R1 properties. Microapartments near core. Allow on-site worker housing.	2/6/2022 2:04 PM
122	Affordable homes to accommodate more residents	2/6/2022 10:03 AM
123	More low income housing is needed	2/6/2022 7:33 AM
124	Large homes modified to accommodate more residents. A non-resident tax on 2nd homes to pay for apartments and low income housing.	2/4/2022 4:22 PM
125	All of the above	2/4/2022 10:54 AM
126	Smart station!	2/4/2022 10:51 AM

127	Housing in south corridor. Commercial converted to housing. Mixed use. Keep any "affordable" homes, apartments for locals, not from being used as 2nd homes from people out of town.	2/4/2022 8:59 AM
128	Low income rentals and homes to purchase	2/4/2022 8:55 AM
129	Do not allow multi unit dwellings in single family home neighborhoods.	2/3/2022 4:49 PM
130	Pricing for Healdsburg homes is way too high. It has been attracting big money city folks and pushing out the natives that have been here for generations. Don't let a town rot for the sake of increasing profits. Keep the Healdsburg charm alive and show the folks that have been here a while that they matter more than attracting big money.	2/3/2022 4:42 PM
131	Affordable in-fill housing.	2/3/2022 1:49 PM
132	No more McMansions! No more ultra-wealthy units like Mill District and Montage! Get it Right. We have PLENTY for the millionaire stock. Stop serving those that have nothing but money to bring to HEALDSBURG, to our community. We benefit from workforce housing for our essential workers. I DO not trust our PC and CC to approve what is best for our town! Get this Housing Element done with integrity and wisdom.	2/3/2022 1:45 PM
133	Houses that are priced under 700,000 for young families who only rent and can't afford to buy in their community. Like my family we can't afford to live here. Water prices are 4 times higher then Santa Rosa! Like come on. Figure it out we pay too much for our utilities, make the expensive hotels pay more then the residents.	2/3/2022 1:27 PM
134	Detached garages as accessory structures for housing. Lower the cost for separate utility meters and fees!	2/3/2022 1:05 PM
135	Additional housing on large lots	2/3/2022 12:12 PM
136	All of the above and stop making it so difficult and expensive to expand larger lots that are already zoned appropriately. Those fees are then handed down to the renter. Not wise! Below area of interest only allows # s to be entered. My interest is housing while maintaining our charm	2/3/2022 11:43 AM
137	All above	2/3/2022 9:02 AM
138	In-law units, detached garages converted to housing, large homes modified to accommodate more residents, all the many second homes required to accommodate full-time residents somehow on the property	2/3/2022 7:18 AM
139	Housing with granny units would be ideal!!!	2/3/2022 7:00 AM
140	Easier/more affordable permitting for residents to make small healdsburg homes adequate for their families.	2/2/2022 9:36 PM
141	Additional units on large lots. Accessory units converted into housing.	2/2/2022 9:24 PM
142	The north or south Healdsburg Ave corridor both have large properties with the ability to build townhomes and complexes which I believe is happening with the Montage development but won't like be affordable for our agricultural or hospitality employees.	2/2/2022 4:02 PM
143	ADUs, more apartments, duplex style low income housing for those who work here.	2/2/2022 3:55 PM
144	Lots of spread our rural land that can accommodate ADUs. There should be incentives for families to build them to provide more housing.	2/2/2022 3:53 PM
145	Industrial land near downtown that could be used for housing development.	2/2/2022 2:51 PM
146	All of the above could be allowed IF parking is taken into consideration. Historically, that has not been the case, so I would not agree with the above. I believe more small single-level homes 1- and 2- bedroom) are needed for singles and small families and first time buyers. Restrictions on rent are necessary and priority should be given to those who have a history in Healdsburg. Healdsburg should act now to include vetting in applications for rental units-prioritize renting to long-time residents that work in Healdsburg. Also, despite my strong support of conservation of our land, I would suggest expanding residential areas. It is a severe shame that montage was allowed, which now employs mostly staff from Santa Rosa. We see them come off 101 in the mornings and speed to work. Please support our native healdsburg residents.	2/2/2022 12:00 PM
147	There is huge opportunity for commercial to be move to housing. That's what south SE did. We	2/2/2022 11:49 AM

147

There is huge opportunity for commercial to be move to housing. That's what south SF did. We 2/2/2022 11:49 AM

want to be cautious with the housing we add as Healdsburg is a special spot and if we add a huge amount of low income housing, we are going to become Windsor.. even Santa Rosa and that is DEFINITELY not the direction to go in.. and this is coming from a mid 20's woman who hussles to work and live in Hburg.

148South entry for apartments and multi family housing, existing large home converted to fourplexes etc with low- and moderate-income families in m149All of the above150Commercial and industrial areas converted to housing. Allowing converse multi unit. The city should require that housing be primary residence or f if a second home should charge an increased property tax to support home	ion to apartments for or long term rental, and using.
150 Commercial and industrial areas converted to housing. Allowing convers multi unit. The city should require that housing be primary residence or f	ion to apartments for 2/2/2022 8:59 AM or long term rental, and using.
multi unit. The city should require that housing be primary residence or f	or long term rental, and using.
151 Less 3,000 sq ft homes should be required to include a market wise rent 3,000sqft should no longer be approved.	al. Homes larger than 2/2/2022 8:44 AM
build more housing that lower cost, perhaps multistory. Have centralized people walk instead of drive.	downtown parking so 2/2/2022 8:42 AM
153 No new commercial businesses or water resources approved until there on new residential opportunities.	are groundbreakings 2/2/2022 8:41 AM
154 Commercial area turned into housing	2/2/2022 8:36 AM
155 Apartments, town houses, condos in strategic locations. SMART Station entry, Hbg Ave.	n, south entry, north 2/2/2022 8:34 AM
156 Healdsburg has squandered its unique opportunities for housing which s prioritizing extravagance, e.g. Montage and other north end development	
157 Convert hotels into housing.	2/2/2022 8:20 AM
158 Detached parking garages	2/2/2022 8:15 AM
159 Unique tiny homes or a container village homes for younger people. Wor artist. We need to think about housing outside the traditional box . Mater expensive at this point.	
160 In addition to above-«affordable tiny house units with a common garden options to purchase	area to rent with lease 2/2/2022 7:54 AM
161 Bot sure if there's plan already for The lots behind Davine and tip top bu good location for larger multi unit affordable housing	t that seems like a 2/2/2022 7:45 AM
162 I think the Healdsburg Avenue corridor could be a great place for housin people to walk to the downtown area/many places of work without driving instead of using the south entry for housing, you could use it as a place commercial/industrial that would allow businesses displaced by increasi to move and stay in the city. Good examples would be the Ford dealersh area occupied by redwood auto body in the Kennedy Lane neighborhood more housing infill in areas where residential and commercial are mixed businesses out of the city limits.	g. I also think that, to build attractive ng residential demand hip, the commercial . This could allow for
163 Na	2/2/2022 7:41 AM
164 Vacation homes should not be preserved for one family	2/2/2022 7:31 AM
165 More planned developments like Parkland Farms.	2/2/2022 7:27 AM
166 Need more small homes and apts. we have enough for the rich.	2/2/2022 7:08 AM
167 Is there a town that excels in thriving and surviving community standard their door and be curious on what works and what fails. Kellie Barrow	Is. I would go knock on 2/2/2022 6:43 AM
168 Healdsburg has a small footprint, anywhere housing is built within city lin housing.	nits is a good place for 2/2/2022 6:09 AM
169 Adu's	2/2/2022 5:57 AM
170 In general, opening things up for new growth in all directions while ensur and access for our Latin community and work force as well as younger g	

171	Additional units should be built in areas that have a lot of room. For example the older Doctor complexes south of the hospital. Ideally the lots that are for sale south of town, across the bridge, across the street from the new Healdsburg Lumber. Plenary of room for affordable multi units and parking.	2/2/2022 4:54 AM
172	Less housing. Water is of main concern and we need to stop the growth! Anything currently being built should be REQUIRED to put in a grey water system and pay into a recycled water program. No additional building please!!! Stop the growth. Keep our small town small.	2/2/2022 1:55 AM
173	Secure housing (and housing options) for locals. This is an amazing area but I would hate to see it all turn to vacation rentals and airbnbs.	2/1/2022 11:05 PM
174	All of the above.	2/1/2022 10:50 PM
175	Additional units on large lots. Commercial and industrial area converted to housing.	2/1/2022 10:48 PM
176	N/a	2/1/2022 10:29 PM
177	?	2/1/2022 10:23 PM
178	Adding tiny houses for ADUs and reducing permitting fees	2/1/2022 10:22 PM
179	ADUS that are monitored and rented out, real estate agents with morals not just dollar signs. Apartment buildings for local workers not for commuters	2/1/2022 10:20 PM
180	Affordable Live work housing	2/1/2022 10:16 PM
181	More granny/side units available to the public	2/1/2022 10:11 PM
182	Wine and hospitality industries collaborate on the development of housing for their extensive and largely low paid workforces. Do not allow any further commercial hospitality development until the town is thriving with local residents in affordable and sustainable housing.	2/1/2022 10:08 PM
183	Affordable housing	2/1/2022 10:02 PM
184	-Unused parking lots to build affordable housingcommercial buildings for housing -more granny units	2/1/2022 10:01 PM
185	Higher density projects, parking lots covered to housing, bringing infrastructure across memorial bridge. Purchasing apartment buildings or the rights to manage these apartment buildings like the citrine apartments. Then use them for the missing middle 60-120% ami renters.	2/1/2022 9:50 PM
186	manor homes/ multiplexes that look like some of the older homes. more small lot development -allow lots splits to small size (LA small lot subdivision ordinance)	2/1/2022 3:00 PM
187	detached garages and other structures converted into housing. Large homes modified to accommodate more residents and additional units on large lots	1/31/2022 4:53 PM
188	Additional units on large lots	1/31/2022 2:42 PM
189	Older single family homes rehabilitated into affordable first time homes for younger people. Residential Land development in surrounding rural areas.	1/31/2022 10:25 AM
190	Quit subsidizing business owners by providing low income housing; have the owners pay a livable wage. Let the market dictate where the housing and what housing would go in. Why not developers build more million dollar plus houses and just add more inventory to the town. BTW I have no dog in this race. Just someone who has lived in this town since 1988 and not in love what the 1990's city council has done to this town. It's change and that's something that is always present and I will accept that.	1/30/2022 9:26 PM
191	Less high end development - more middle income not necessarily low income. No apartments or high rises are not the character of healdsburg. Stop development that only attracts city people, who want second homes	1/30/2022 6:48 PM
192	There are too many luxury housing developments being built. Families can't afford to live here.	1/30/2022 6:05 PM
193	More homes and lower buying prices	1/30/2022 4:08 PM
194	All of those mentioned are excellent ideas	1/30/2022 11:34 AM

195	Reject outside development of hotels, luxury condos/homes until the city can manage its resident housing and water needs (or ever, we have enough luxury dev now). Purchase properties to rehabilitate and build multi family units that are 1) small and 2) not luxury. Moratorium on new builds for single family homes over X size. Convert old homes into multi units. Ignore NIMBYs. Build more cohousing units at edges of town and in downtown. Build senior living with assisted care, attached to family/single units to bring diverse multi generational community. Build units of ALL affordable housing of different sizes in empty lots and unused industrial space (use existing developed areas).	1/30/2022 9:03 AM
196	No comment	1/30/2022 6:34 AM
197	Granny units and exhausting large homes converted into livable units.	1/29/2022 8:29 PM
198	Basically Healdsburg needs higher density cheaper housing. Mill District is not a good example of this. Just how many units are there that are 7 Million? So maybe we will have 10 or so more millionaires (probably part time) when that land could have housed a couple hundred easily with low er cost attractive residences. It doesn't have to be ugly or big.	1/29/2022 7:13 PM
199	When planning the location of the smart train station(s), sites where housing could be co- located or adjacent should be prioritized; we need to rezone areas downtown now, so when they are ripe for development, we can build denser housing.	1/29/2022 3:43 PM
200	Do not allow further high end occasionally occupied homes to be built!	1/29/2022 2:45 PM
201	It's important to maintain space for commercial and industrial businesses in town. We should not just refine those areas. Otherwise local residents will have to drive farther for those services. I would like to see the downtown parking lots turned into housing with parking underneath. I don't want to see any more multi million luxury condos like the Mill District or Montage is offering. I don't want any more hotels (especially from the folks at Hotel Healdsburg). I think the Safeway shopping, Mitchell Center, and Rite Aid areas could be redone to include both housing and businesses as multi-story (with parking underneath). I don't like the ultra modern linear designs on new buildings (like the one on Healdsburg Avenue proposed by Hotel Healdsburg), and would prefer a more historically inspired contemporary design in Healdsburg.	1/29/2022 1:52 PM
202	As long as you have wealthy people from the Tech Industry snapping up houses at more than \$1,000 per square foot, I don't see any long term solution. Additional units on large lots will encourage the wealthy to buy, develop, profit and move on.	1/29/2022 12:01 PM
203	Don't house homeless. They are unpredictable mostly on drugs and criminals	1/29/2022 11:56 AM
204	More units on large lots.	1/29/2022 10:38 AM
205	Large lots in neighborhoods close to downtown could be subdivided to make for 2-4 multi family units. A lot of low density commercial lots and underutilized building going be Re zoned for high density apartments	1/29/2022 9:04 AM
206	I wonder if there if retired hugely affluent people are a renewable resource to inhabit all the lovely but outrageously expensive housing that is here presently, or will there be a day when some of the prices are forced to be lowered due to less affluent people wanting to live here.	1/29/2022 7:16 AM
207	Commercial and industrial area converted to low rise four-plexes or townhomes	1/28/2022 5:10 PM
208	Housing with water efficiency. We currently don't have enough water for the residents who live here now. If we continue to build how will we increase our water supply?	1/28/2022 3:47 PM
209	Commercial and industrial area converted to housing More mix of commercial / retail / housing More accessory structure conversions Do not segregate lower cost housing from market housing in new developments	1/28/2022 3:37 PM
210	Unsure how to reply.	1/28/2022 3:07 PM
211	Multifamily AFFORDABLE housing. Small units for rentals. Get rid of requirements that new housing that end up in the multi-million dollar range must have rental unit because that ISN'T working. They aren't rented to working people.	1/28/2022 3:05 PM
212	Utilizing the large lots for multiple housing units Using Repurposed ocean containers for small houses Taking advantage of the City's open spaces to develop low cost housing	1/28/2022 2:50 PM
213	Granny units and unused industrial areas converted to housing.	1/28/2022 2:47 PM

Stop allowing developers to buy homes and then redo them and sell them at crazy prices that only attract outside the area buyers with money or that want only a second home. They are not invested in the community and raise the housing prices so young families with children get priced out. Apartments and high rises do not go with the farming culture of healdsburg.

1/28/2022 10:04 AM

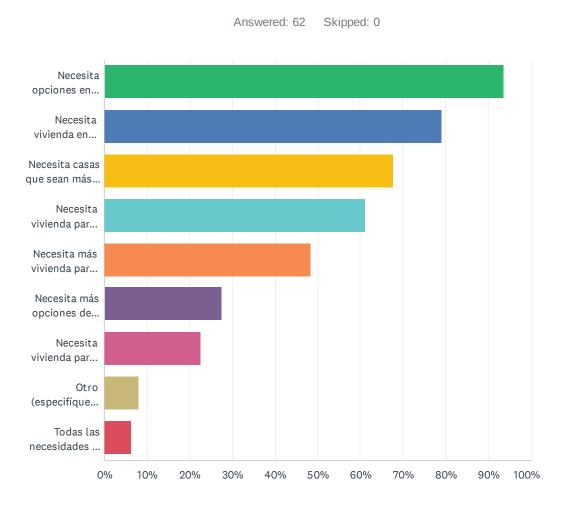
215	All of the above.	1/28/2022 10:00 AM
216	All of the above, as is practical and available	1/27/2022 12:41 PM
217	Healdsburg needs to fund the infrastructure necessary to accommodate more housing. Solve the water, power, and wastewater disposal issues first.	1/25/2022 11:27 AM
218	Build the north end of town, Terrace Boulevard north. The extreme are the mcmansions that house 2 adults in this town and no one parks in their garage-they park on the streets causing more access/traffic flow issues. We have a sufficient number of these pretentious second homes. North end of town has some large undeveloped areas.	1/24/2022 2:48 PM
219	Multi generational areas close to town. Develop the south entry to town with more middle income family townhouses or single family homes with yards, open space similar to a mini parklands feel. I think all the entries into town have areas that could be developed and hence look more welcoming.	1/23/2022 9:27 AM
220	We have significant potential building sites: 155 Dry Creek (in process), the Vercelli property on West side of Hbg Ave by MIX, the South EntryArea, the underutilized parking lot North of City Hall, several lots along Hbg that are shut down, increasing density in central Hbg & considering redevelopment of the CVS /Raven shopping area and the Safeway shopping area.	1/22/2022 9:07 PM
221	ADU's, detached garages. Whatever is done maintain the charm of the community	1/22/2022 10:06 AM
222	Locations for multi-family housing and commercial/industrial converted to housing	1/21/2022 2:59 PM
223	Location for multifamily housing additional units on large lots	1/21/2022 1:15 PM
224	Really don't know	1/21/2022 11:05 AM
225	Industrial areas or abandoned areas covered to rent restricted housing for people who are full time employed in Healdsburg. Also need a parking garage.	1/21/2022 10:07 AM
226	Large homes modified to accommodate more residents Unused commercial and industrial areas converted to housing	1/21/2022 9:40 AM
227	Place apts and multi unit housing in appropriate areas. Not established residential areas. Those built in the 50s&60s are dreadful for the most part. Breakup neighborhood cohesiveness. We need more multi housing options but should be done thoughtfully so we don't destroy the architectural character of our town.	1/21/2022 9:39 AM
228	Housing issue, and building issues in total, MUST address parking situation. It is driving tourists and residents away from commerce in the downtown area.	1/21/2022 9:24 AM
229	More housing in commercial areas	1/21/2022 7:19 AM
230	Widen growth development boundary. Look at areas on edges of community to transfer from ag/industrial to mixed use or residential	1/21/2022 7:01 AM
231	Additional units on larger residential lots.	1/21/2022 6:51 AM
232	Figure out how to fix the water crisis/drought first before any more housing!	1/21/2022 6:28 AM
233	stop the KB box home-flunenza, this needs to be an art community instead of shoebox home community. there is so much creativity here. the newest houses are eyesores.	1/21/2022 12:22 AM
234	Large homes modified to accommodate more residents , we need at least those of us who live in apartments to have a yard where the children can play ball, oh go out and play without having to go to a park	1/20/2022 8:48 PM
235	Granny units for extended families. Yes, detached garages etc.	1/20/2022 8:21 PM
236	Commercial and industrial underutilized land rezoned for housing.	1/20/2022 7:48 PM
237	All forms of housing without government intervention. Let developers who are experts build	1/20/2022 7:29 PM

affordable product. Time is money and the city is not qualified to be in the housing business. Good quality housing for working families can be accomplished with speed. Lessen fees and the city can meet housing needs.

	the only our meet housing needs.	
238	All in example	1/20/2022 7:14 PM
239	We should not be considering low density housing as we don't have the infrastructure for it. Nor should we be building anything over 3 stories	1/20/2022 5:40 PM
240	City owned apartments for teachers	1/20/2022 4:33 PM
241	Increase cap for number of housing units built per year	1/20/2022 12:25 PM
242	Large homes modified to accommodate more residents	1/20/2022 12:08 PM
243	do not destroy healdsburg keep us small	1/20/2022 11:37 AM
244	Apartments and townhouses located near transportation and commerce.	1/20/2022 11:25 AM
245	More affordable apt or houses for the younger generation and not letting outsiders buy property for Weekend rentals!	1/20/2022 11:20 AM
246	Commercial and industrial area converted to housing, resident eagerness to own a home can result in construction programs for them to help	1/20/2022 10:46 AM
247	There is no water	1/20/2022 10:24 AM
248	Planned SMART Station.	1/20/2022 9:04 AM
249	Locations for multi family housing	1/20/2022 8:37 AM
250	Large homes modified to fit more residents. More stories on buildings, healdsburg has nearly infinite space above the ground.	1/20/2022 6:17 AM
251	Doesn't have to be downtownthere seem to be a lot of county owned land lots that can be purchased by the city and used to build decent units for people. The area across from mill district can be converted too, and by coyote den bar, that's a huge parking lot and warehouse that seems to be mostly vacant. All along that section of Healdsburg ave, there are many opportunities to build taller buildings instead of the single story ones that are currently there. Not sure if structures around Foss creek circle can have apartments above them, but that could be another option or extension of the condos already over there. The city could buy the lots that Eric Drew is selling, or the people who own the lot on Fitch and north streets (though I think there is a COH easement there anyway?) And build multi units on those. Above raven film center and that whole complex, could all be apartments or condos. But as for single family housing for someone like me, I would love to see affordable prices like they were a few years ago in the \$500-600k range now those houses are over \$1mm and they don't seem to actually be worth that price tag since they were half that price just 2 years ago.	1/19/2022 11:39 PM
252	I'm not sure. I'm disappointed that the city keeps allowing hotels, which impacts water usage, and no real options for lower or middle income folks.	1/19/2022 11:25 PM
253	Affordable Single Housing. More housing communities like Fitch Mountain Villas or small home neighborhoods like the Bird Courts. AFFORDABLE for people who work or grew up in the town.	1/19/2022 9:47 PM
254	Industrial areas converted to housing	1/19/2022 9:09 PM
255	New policy. It's impossible to build here. If you don't believe metry it!	1/19/2022 8:56 PM
256	Tiny home plots set up and the city could rent out the plots like a mobile home park set up, young people are not into mobile homes but tiny homes are a way to get young people to live in Healdsburg. I'd love to see apartments on the side of town by Giorgio's pizza. Seems like a wasted space over there and could be opportunities for low and working class apartments or tiny home village.	1/19/2022 8:26 PM
257	Healdsburg is catering to high end development such as the mill district. Wouldn't it be great if that property was set up for affordable housing?	1/19/2022 8:20 PM
258	ADU infill Additional units on large lots	1/19/2022 8:15 PM
259	Healdsburg is only so big, expansion is very limited. Let's look at making it easier to travel and get into healdsburg from surrounding communities like Cloverdale and Windsor. Better	1/19/2022 8:10 PM

	sidewalks, better transportation. It's very dangerous to bike in from Windsor as there are no good bike lanes on very busy roads. Cloverdale isn't much better. Both are definitely close enough to bike if a safe option exists.	
260	Why does the city want to keep building appartments when we have a 40% water reduction CITY WIDE and no apparent plan to aleviate this any time soon. You are putting the cart before the horse. We do not need any more houses that have 2 bedrooms and cost \$700,000+. Do not reduce parking requirements until we have at least basic public transit. You cannot get to Santa Rosa by AM if you take the bus, and that is the only option.	1/17/2022 8:42 AM
261	Empty lots and abandoned vintage buildings can be converted into housing or just lower the house prices for only first time buyers families	1/15/2022 9:50 PM
262	NOTHING! We have far too many homes what's next the new San Jose	1/15/2022 5:30 PM
263	Taller buildings downtown, up zoning of parkland farms and other neighborhoods, remove parking requirements for non senior housing	1/15/2022 1:14 PM
264	All of the above, but limit high end hotels, resorts, and high end rental apartments.	1/15/2022 11:01 AM
265	Commercial area converted to housing or allow mixed use.	1/15/2022 7:57 AM
266	Multi family housing locations, commercial and industrial areas converted to housing, mixed use to include housing.	1/15/2022 7:23 AM
267	Housing units in/near vineyards Units close to transportation	1/15/2022 7:07 AM
268	City owned properties for affordable housing.	1/15/2022 6:50 AM
269	Detached garages converted Additional units on large lots should be allowed Revitalize with new quality housing/ mixed use development toward the south entrance of town. Think Windsor as example. Our south entrance is in need of a complete overhaul and beautification We needs new and planned development with style guidelines like Windsor. Not the bland Burbank style housing types. We only get one shot at development near the entrance to town correct. It is prime for beautiful architecture mixed use condo style living.	1/15/2022 6:47 AM
270	Stop making it so difficult and expensive for small developers to build and expand structures on lots. Hence having to pass costs onto renters!	1/15/2022 1:03 AM
271	Senior co-housing, inter generational housing	1/14/2022 9:51 PM
272	Large Victorians in disrepair could become SROs	1/14/2022 8:44 PM
273	ADUS AND JADUS	1/14/2022 7:54 PM
274	Commercial and industrial area converted to housing. Locations for multi family housing. I really like what was built across from fire station on Grant St.	1/14/2022 6:57 PM
275	Rezoning the downtown area to provide for higher density housing in the downtown area	1/14/2022 6:43 PM
276	All of the above!	1/14/2022 6:05 PM
277	Undeveloped large lots that are inappropriately zoned CS or industrial, low density that could be increased easily to allow for apartment buildings,	1/2/2022 10:28 AM

Q1 Las más grandes necesidades en vivienda de Healdsburg hoy son (seleccione toda opción que aplique):



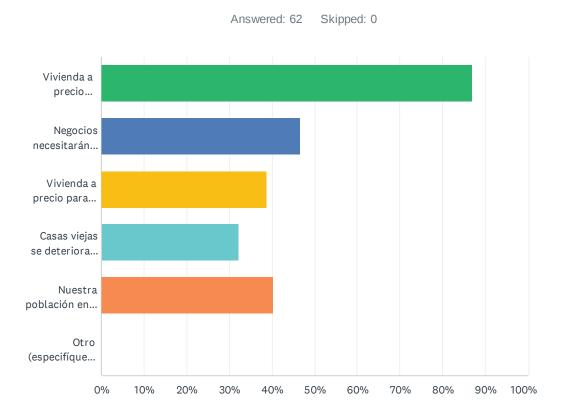
ANSWER CHOICES		
Necesita opciones en vivienda en precios más bajos	93.55%	58
Necesita vivienda en renta y a bajo costo		49
Necesita casas que sean más asequibles para compradores de primera vez		42
Necesita vivienda para gente que trabaja aquí		38
Necesita más vivienda para familias jóvenes y trabajadores		30
Necesita más opciones de vivienda para familias multigeneracionales		17
Necesita vivienda para personas de la tercera edad		14
Otro (especifíque por favor)		5
Todas las necesidades de vivienda en Healdsburg han sido satisfechas		4
Total Respondents: 62		
# OTRO (ESPECIFÍQUE POR FAVOR)	DATE	

1	1	1	4
	/	-	

Encuesta sobre Necesidades y Oportunidades en Vivienda - Healdsburg

1	Casas de venta realmente para bajos ingresos.	3/13/2022 11:06 AM
2	Necesita Vivienda bajo costos para padres solteros	3/10/2022 12:43 PM
3	Q nos ayuden mas x q las rentas son muy caras	2/3/2022 5:30 PM
4	Las rentas son costosas y muy poco para las personas que trabajamos en el campo	2/2/2022 3:14 PM
5	Vivienda para personas que están por debajo de la pobreza. No solamente de bajos ingresos.	2/2/2022 10:21 AM

Q2 Las necesidades de Healdsburg en vivienda dentro de los próximos 10 años incluirá (seleccione toda opción que aplique):



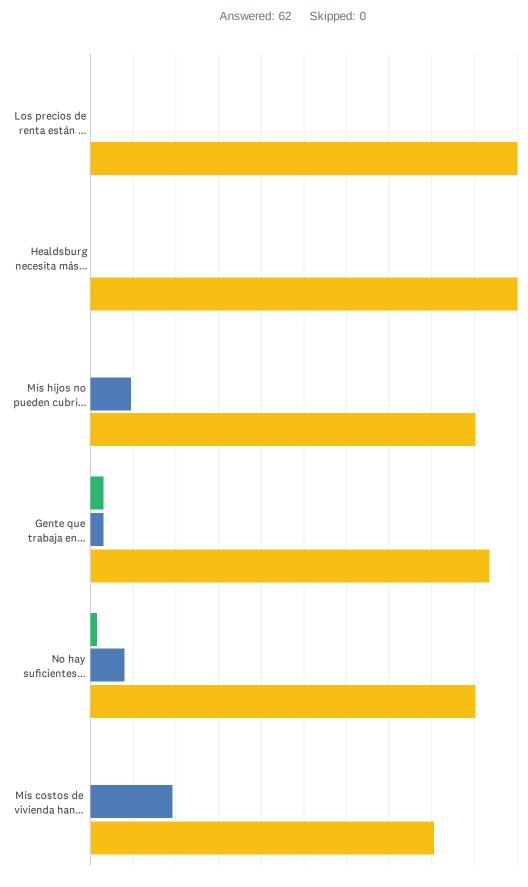
ANSWER CHOICES		ES
Vivienda a precio accesible para que adultos jóvenes puedan vivir aquí		54
Negocios necesitarán vivienda asequible para sus empleados	46.77%	29
Vivienda a precio para atraer nuevas familias a Healdsburg	38.71%	24
Casas viejas se deteriorarán y necesitarán reparaciones		20
Nuestra población en envejecimiento necesitará opciones de vivienda más accesible y bien diseñada	40.32%	25
Otro (especifíque por favor)		0
Total Respondents: 62		

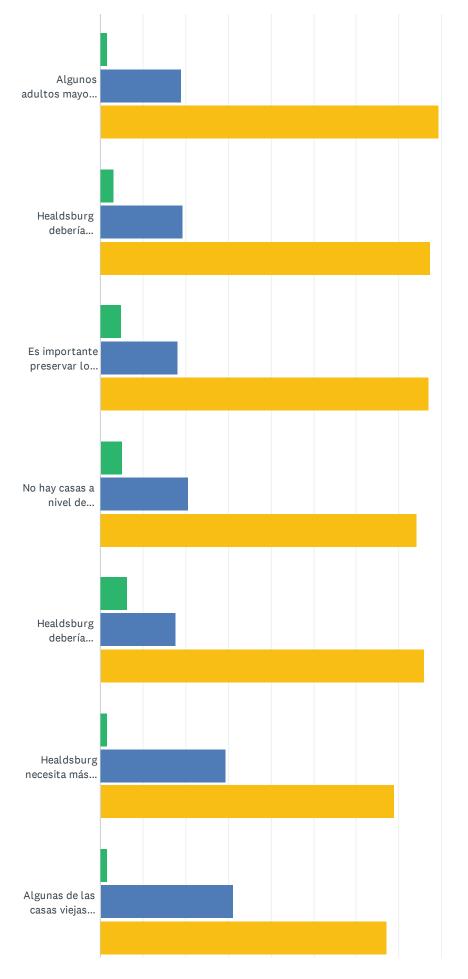
DATE

OTRO (ESPECIFÍQUE POR FAVOR)

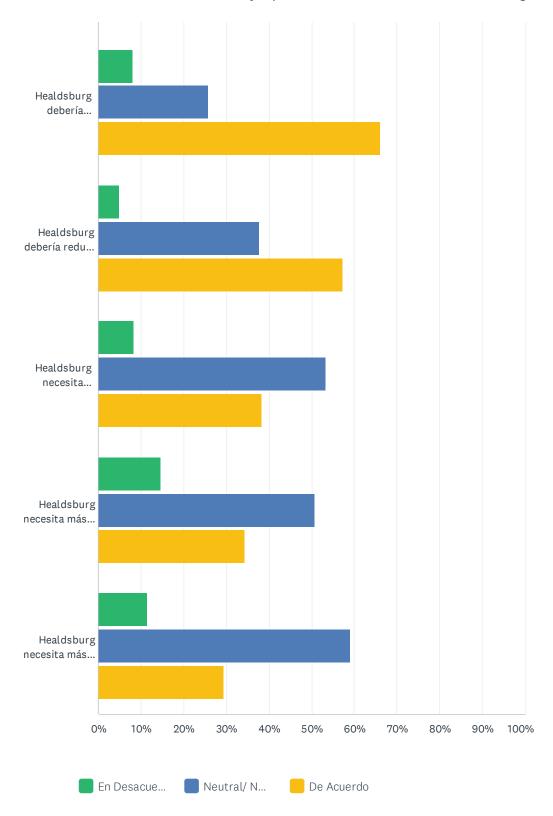
There are no responses.

Q3 Por favor categorice su nivel de acuerdo con cada una de las siguientes declaraciones:





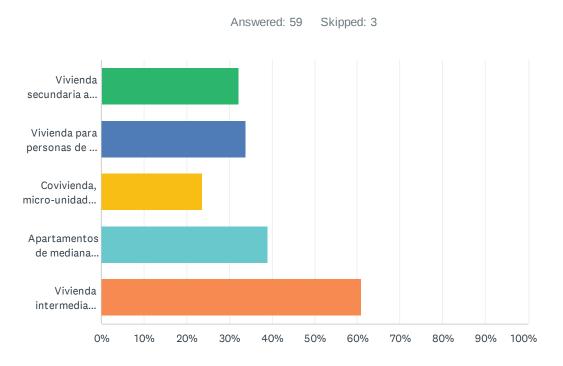
Encuesta sobre Necesidades y Oportunidades en Vivienda - Healdsburg



Encuesta sobre Necesidades y Oportunidades en Vivienda - Healdsburg

	EN DESACUERDO	NEUTRAL/ NO OPINION	DE ACUERDO	TOTAL	WEIGHTED AVERAGE
Los precios de renta están muy altos en Healdsburg	0.00% 0	0.00% 0	100.00% 62	62	1.00
Healdsburg necesita más opciones de vivienda para todos los niveles de ingreso	0.00% 0	0.00%	100.00% 62	62	1.00
Mis hijos no pueden cubrir el costo de vivir en Healdsburg	0.00% 0	9.68% 6	90.32% 56	62	1.10
Gente que trabaja en Healdsburg no pueden cobrar el costo para vivir aquí	3.23% 2	3.23% 2	93.55% 58	62	1.10
No hay suficientes opciones de vivienda en Healdsburg	1.61% 1	8.06% 5	90.32% 56	62	1.11
Mis costos de vivienda han incrementado en los últimos 5 años	0.00% 0	19.35% 12	80.65% 50	62	1.19
Algunos adultos mayores necesitan asistencia para permanecer en sus hogares	1.72% 1	18.97% 11	79.31% 46	58	1.22
Healdsburg debería permitir la construcción de más apartamentos	3.23% 2	19.35% 12	77.42% 48	62	1.26
Es importante preservar los vecindarios de Healdsburg	4.92% 3	18.03% 11	77.05% 47	61	1.28
No hay casas a nivel de entrada para comprar en Healdsburg	5.17% 3	20.69% 12	74.14% 43	58	1.31
Healdsburg debería permitir la construcción de apartamentos pequeños en la ciudad	6.45% 4	17.74% 11	75.81% 47	62	1.31
Healdsburg necesita más desarrollo de usos mixtos	1.64% 1	29.51% 18	68.85% 42	61	1.33
Algunas de las casas viejas de Healdsburg necesitan rehabilitación	1.64% 1	31.15% 19	67.21% 41	61	1.34
Healdsburg debería permitir la construcción de vivienda de cuatro unidades en la ciudad	8.06% 5	25.81% 16	66.13% 41	62	1.42
Healdsburg debería reducir los requisitos de estacionamiento donde las condiciones de seguridad lo permitan	4.92% 3	37.70% 23	57.38% 35	61	1.48
Healdsburg necesita permitir más vivienda junto con negocios existentes	8.33% 5	53.33% 32	38.33% 23	60	1.70
Healdsburg necesita más vivienda en áreas comerciales	14.75% 9	50.82% 31	34.43% 21	61	1.80
Healdsburg necesita más vivienda cerca del Centro	11.48% 7	59.02% 36	29.51% 18	61	1.82

Q4 Por favor seleccione los tipos de vivienda nueva que sería más exitosa en Healdsburg:



ANSWER CHOICES	RESPON	SES
Vivienda secundaria a la residencia principal (second units/granny units/junior units)	32.20%	19
Vivienda para personas de la tercera edad independiente y instalaciones de cuidado residencial para personas mayores o personas con discapacidades	33.90%	20
Covivienda, micro-unidades, y unidades de una sola recámara	23.73%	14
Apartamentos de mediana altura (5 pisos) en el Centro	38.98%	23
Vivienda intermedia faltante como casas adosadas o vivienda de unidades múltiples de baja altura	61.02%	36
Total Respondents: 59		

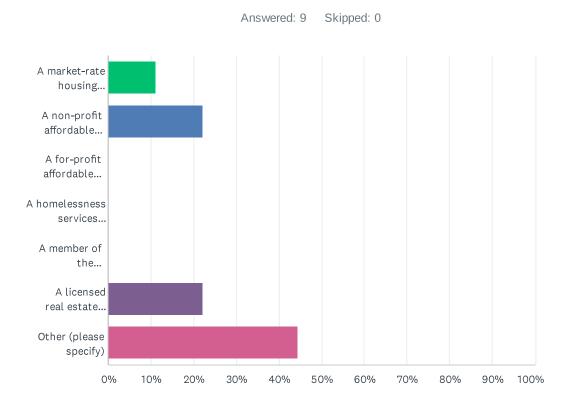
Q5 ¿Cuáles son algunas de las características únicas de Healdsburg que pueden ser oportunidades de vivienda para la comunidad? Por ejemplo: Ubicaciones para vivienda multifamiliar (p. ej. la estación del SMART, la zona sur, Avenida Healdsburg) Garajes independientes y otras estructuras secundarias que podrían convertirse en viviendas. Casas grandes que pueden modificadarse para alojar más residentes Lotes grandes perfectos para alojar más residencias Espacios comerciales/industriales subutilizados infrautilizados que podrían convertirse en viviendas Su(s) idea(s):

Answered: 29 Skipped: 33

#	RESPONSES	DATE
1	Mas viviendas de bajos ingresos multifamiliares.	3/14/2022 1:01 PM
2	La autorización para los dueños de casas con garaje, para hacerlo vivienda a bajo costo. Así se ayuda el dueño de casa y nuestros jóvenes o parejas jóvenes trabajadoras.	3/13/2022 11:06 AM
3	Lotes grandes, program SWEAT, la área norte de la ciudad y sur de la ciudad, el lote a lado de la ciudad, lote en frente de el centro comunitario	3/10/2022 9:51 PM
4	Viviendas en lotes grandes para todo tipo de familias pero también que cuenten con parqueadero suficiente	3/10/2022 12:43 PM
5	Construir nuevas casas cerca	3/4/2022 7:00 PM
6	Más casas accesible para rentar o poder comprar	2/28/2022 5:12 PM
7	Lotes grandes para construir casas a personas q no ajustan pagar sus rentas	2/6/2022 7:11 PM
8	Viviendas de 2 pisos pero que los dos pisos pertenezcan a la misma vivienda, porque cuando en el piso de abajo es una vivienda y en el segundo piso es otra vivienda es incómodo por el ruido	2/5/2022 10:48 PM
9	Lotes grandes perfectos para alojar más residencias	2/5/2022 4:18 AM
10	Vivienda familiar barata	2/4/2022 9:03 PM
11	Viviendas más asequibles para los del campo	2/4/2022 6:00 PM
12	3	2/4/2022 5:15 PM
13	Q no sean tan caras	2/3/2022 5:30 PM
14	Lotes grandes que puedan convertirse en vivienda. Apartamento de bajo costo con unidades de un pizo o dos para familia multicultural. Usar lotes commerciales para Casas pequeñas con yarda de un piso para familia multigeneracional	2/3/2022 5:08 AM
15	•	2/2/2022 7:26 PM
16	Lotes grandes perfectos para alojar más recientes y departamento para trabajador del Campo	2/2/2022 3:14 PM
17	Las casas que están en venta que las compre la ciudad y las rente a familias que trabajan en Healdsburg. En lugar de estacionar lanchas o botes deben hacer apartamentos. En los viñedos también debe haber apartamentos adecuados para los trabajadores del campo.	2/2/2022 10:21 AM
18	Viviendas para personas de bajos ingresos que vivan en Healdsburg, por ejemplo yo, que tengo 30 años viendo en Healdsburg y no he podido comprar una casa por el precio tan alto	1/30/2022 2:44 PM

Encuesta sobre Necesidades y Oportunidades en Vivienda - Healdsburg

19	Casas con yardas grandes	1/27/2022 11:09 PM
20	Estructuras secundarias que puedan convertirse en viviendas	1/26/2022 10:02 PM
21	Al este de la ciudad	1/26/2022 9:32 PM
22	Casas de estudio	1/25/2022 11:46 PM
23	Casas de 4 unidades, rentas más economicas.	1/21/2022 8:54 AM
24	1	1/20/2022 8:03 PM
25	Lotes vacíos en la ciudad	1/20/2022 6:36 PM
26	Jubilación de vivienda	1/20/2022 5:58 PM
27	Todas las sugerencias mencionadas tienen sentido, lo que falta es que la ciudad apoye a la comunidad.	1/20/2022 5:46 PM
28	Lotes grandes perfectos para alojar más residencia	1/20/2022 5:11 PM
29	Ubicaciones para viviendas multi familiar	1/14/2022 7:11 PM



Q1 My role as a stakeholder can best be described as:

ANSWER CHOICES RESPONS		SES		
A market-rate housing developer		11.11%		1
A non-profi	affordable housing developer	22.22%		2
A for-profit	affordable housing developer	0.00%		0
A homeless	sness services provider	0.00%		0
A member of the construction industry		0.00%		0
A licensed real estate agent		22.22%		2
Other (please specify)		44.44%		4
TOTAL				9
#	OTHER (PLEASE SPECIFY)		DATE	
1	Non-profit housing partner for stewardship and inclusionary housing		4/28/2022 4:35 PM	
2	Architect, market rate, affordable housing and homeless shelter work in Healdsburg		4/25/2022 9:54 AM	
3	All of the above except homelessness services and Non Profit developer		4/14/2022 7:14 PM	
4	Commercial real estate investor and developer		4/14/2022 8:44 AM	

Q2 What local jurisdictions do you have experience in? Do you work locally or regionally?

Answered: 9 Skipped: 0

#	RESPONSES	DATE		
1	All cities in Sonoma County and Town of Windsor	4/28/2022 4:35 PM		
2	Regionally	4/27/2022 9:49 AM		
3	Sonoma County and its incorporated jurisdictions	4/25/2022 10:58 AM		
4	Sonoma, Napa, Marin Counties primarily, but East Bay as well. Regionally.	4/25/2022 10:44 AM		
5	Healdsburg, Santa Rosa, Sebastopol, Sonoma County, Benicia, Cloverdale, Ukiah	4/25/2022 9:54 AM		
6	Sonoma County	4/15/2022 1:40 PM		
7	85% Healdsburg 10% Santa Rosa 5%Geyserville	4/14/2022 7:14 PM		
8	Healdsburg. I was a mayor/councilmember. I am a licensed general contractor. I own a lumberyard. I am a licensed real estate agent/broker.	4/14/2022 9:26 AM		
9	North Bay	4/14/2022 8:44 AM		

Q3 If you work with any affordable housing funding sources, which do you usually use?

Answered: 7 Skipped: 2

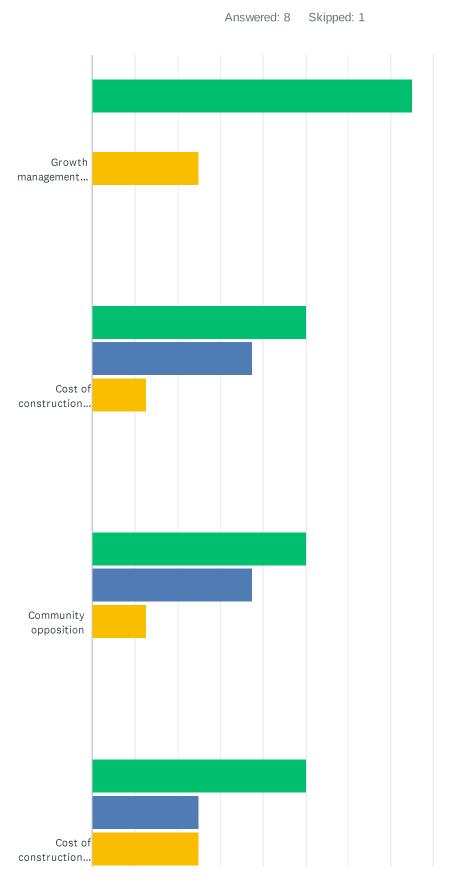
#	RESPONSES	DATE
1	We usually participate in stewarding the inclusionary units. Funds include TOT, CDBG, Housing Trust Funds	4/28/2022 4:35 PM
2	Private philanthropic money thus far. We will be exploring Public/Private Partnerships this year utilizing ARPA funds, and other County and City funding sources	4/27/2022 9:49 AM
3	Low income housing tax credits, State HCD programs, local government sources, commercial bank programs, philanthropic	4/25/2022 10:58 AM
4	Any we can get. it is often a question of understanding the "strings" attached.	4/25/2022 10:44 AM
5	When working with Burbank Housing, they typically rely on Tax Credit Financing but need many sources of subsidy.	4/25/2022 9:54 AM
6	Sonoma County Housing	4/15/2022 1:40 PM
7	Commercial Lender) Summit Bank	4/14/2022 7:14 PM

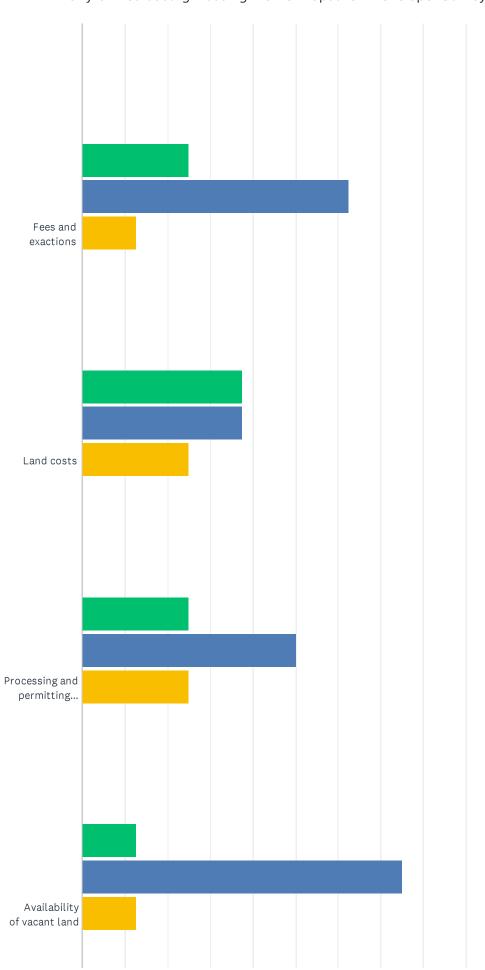
Q4 What are the reasons that development is easier and/or harder in Healdsburg? How does development in this jurisdiction compare to other jurisdictions?

Answered: 8 Skipped: 1

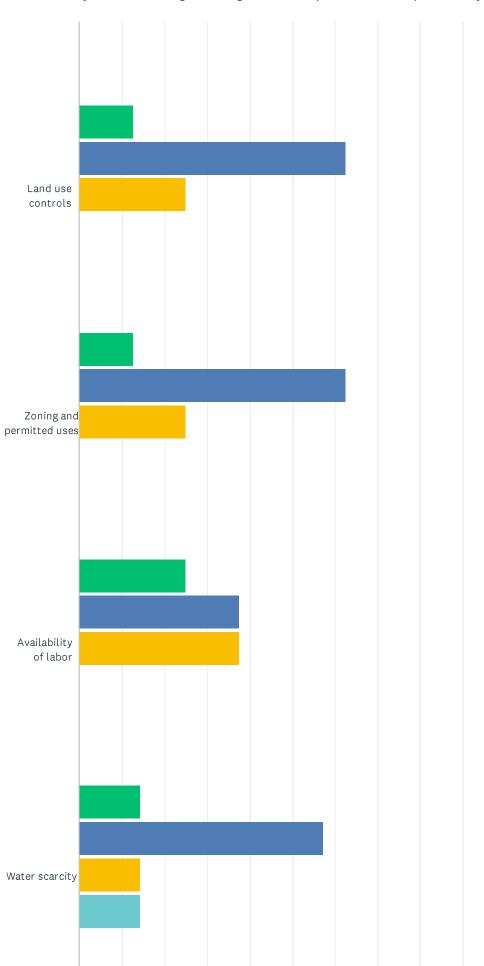
#	RESPONSES	DATE	
1	The Staff is great, innovative, collaborative. The developers have been good partners in the inclusionary housing area.	4/28/2022 4:35 PM	
2	I have no recent experience in Healdsburg although I have found them in the past to be more effective than others during both the Entitlement and Construction phases.	4/27/2022 9:49 AM	
3	Hard because of low amount of city dollars for affordable housing. Easier because city staff flexible, motivated, competent and realistic about affordable housing development	4/25/2022 10:58 AM	
4	entitlement risk and the exactions that the City Council regularly requires are the biggest risk factors.	4/25/2022 10:44 AM	
5	I appreciate that there is no Design Review Board, that shortens the number of public hearings, being combined with Planning Commission. Entitlements always take too long. Design Review needs to be more objective and less subjective. If there was a way to streamline environmental reviews that would help.	4/25/2022 9:54 AM	
6	Difficulties in permit fees and working with the planning department	4/15/2022 1:40 PM	
7	The community is generally resistant to housing growth and change in general. My sense is that the most recent arrivals are the ones most prone to oppose growth while the more tenured ones accept the need to grow.	4/14/2022 9:26 AM	
8	Healdsburg's Growth Management Ordinance makes housing development very difficult. The GMO sets Healdsburg apart from other jurisdictions.	4/14/2022 8:44 AM	

Q5 What are the most significant constraints to residential development that you've experienced?

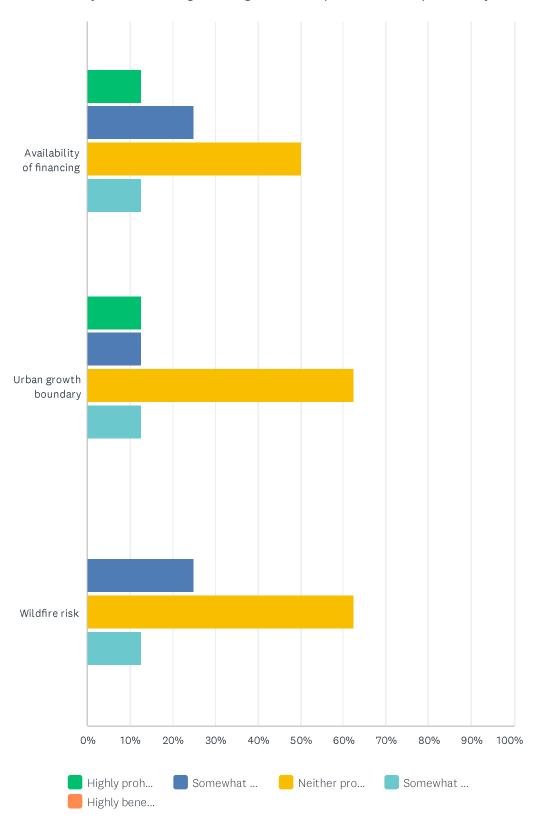




City of Healdsburg Housing Element Update - Developer Survey



City of Healdsburg Housing Element Update - Developer Survey



City of Healdsburg Housing Element Update - Developer Survey

City of Healdsburg Housing Element Update - Developer Survey

	HIGHLY PROHIBITIVE	SOMEWHAT PROHIBITIVE	NEITHER PROHIBITIVE NOR BENEFICIAL / N/A	SOMEWHAT BENEFICIAL	HIGHLY BENEFICIAL	TOTAL	WEIGHTED AVERAGE
Growth management ordinance	75.00% 6	0.00% 0	25.00% 2	0.00% 0	0.00%	8	4.50
Cost of construction (labor)	50.00% 4	37.50% 3	12.50% 1	0.00% 0	0.00% 0	8	4.38
Community opposition	50.00% 4	37.50% 3	12.50% 1	0.00% 0	0.00% 0	8	4.38
Cost of construction (materials)	50.00% 4	25.00% 2	25.00% 2	0.00% 0	0.00% 0	8	4.25
Fees and exactions	25.00% 2	62.50% 5	12.50% 1	0.00% 0	0.00% 0	8	4.13
Land costs	37.50% 3	37.50% 3	25.00% 2	0.00% 0	0.00% 0	8	4.13
Processing and permitting procedures	25.00% 2	50.00% 4	25.00% 2	0.00% 0	0.00% 0	8	4.00
Availability of vacant land	12.50% 1	75.00% 6	12.50% 1	0.00% 0	0.00% 0	8	4.00
Land use controls	12.50% 1	62.50% 5	25.00% 2	0.00% 0	0.00% 0	8	3.88
Zoning and permitted uses	12.50% 1	62.50% 5	25.00% 2	0.00% 0	0.00% 0	8	3.88
Availability of labor	25.00% 2	37.50% 3	37.50% 3	0.00%	0.00% 0	8	3.88
Water scarcity	14.29% 1	57.14% 4	14.29% 1	14.29% 1	0.00% 0	7	3.71
Availability of financing	12.50% 1	25.00% 2	50.00% 4	12.50% 1	0.00% 0	8	3.38
Urban growth boundary	12.50% 1	12.50% 1	62.50% 5	12.50% 1	0.00%	8	3.25
Wildfire risk	0.00%	25.00% 2	62.50% 5	12.50% 1	0.00% 0	8	3.13
# 0	OTHER (PLEASE SP	ECIFY):				DATE	
A	I am answering these questions from the perspective of Homes for Sonoma, a NP focused on ADU development which has largely been handled now at the State thus removing previous constraints. Our current biggest issue is PGE application wait times.					9:49 AM	
	Healdsburg should have rolled over it's permits during the recession when nothing got build 4 instead of expiring them. So few permits cause tremendous delay and cost.					4/25/2022	9:54 AM

3

4

Q6 How often do you use streamlining provisions (e.g. density bonuses, SB 35) for development in this jurisdiction? How easy is it for you as a developer to understand what options are available to you?

#	RESPONSES	DATE
1	As much as possible. Staff is always working closely with us and the developer.	4/28/2022 4:35 PM
2	na	4/27/2022 9:49 AM
3	Use streamlining opportunities regularly. Options are complex and require a learning curve. Land use streamlining helpful, but has no effect on securing adequate funding	4/25/2022 10:58 AM
4	it appears the Healdsburg has worked very hard to exempt themselves from any meaningful development reform.	4/25/2022 10:44 AM
5	None. Density Bonuses generally require more restrictions than it's worth. Subsidies needed for affordable housing have increased dramatically. Inclusionary housing makes all other homes more expensive to pencil.	4/25/2022 9:54 AM
6	n/a	4/15/2022 1:40 PM
7	City's 'One Stop' process has been a great facilitator of development process and help promotes clarity.	4/14/2022 7:14 PM
8	NA at present.	4/14/2022 9:26 AM
9	Healdsburg's entitlement process is relatively easy to understand, and the preliminary "One Stop" with department heads is very helpful.	4/14/2022 8:44 AM

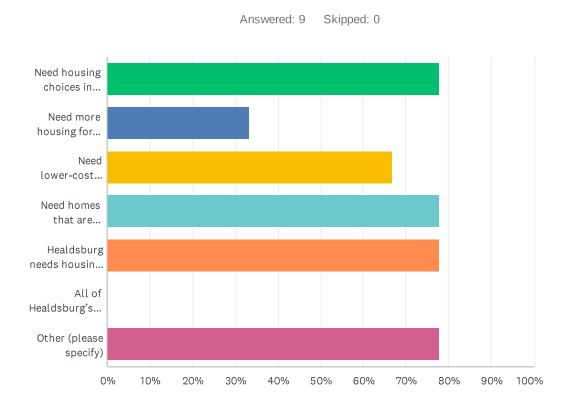
Q7 What has your experience been like working with Healdsburg's Planning/Community Development staff? Have they been helpful in facilitating your development goals?

#	RESPONSES	DATE
1	Fantastic. We have been working with the team in Healdsburg since 2012 and it has been an ongoing experience of building, preserving homes.	4/28/2022 4:35 PM
2	encouraging	4/27/2022 9:49 AM
3	Very helpful	4/25/2022 10:58 AM
4	on an individual basis they are fine. as an institution they are incapable of getting out to their own way.	4/25/2022 10:44 AM
5	Staff are fine. It's the laborious entitlement process, many environmental reports/reviews/studies on top of all other issues that make it difficult. I try to never ask for any deviation from zoning so as not to have a discretionary approval. never the less it's a painful process and requires a tremendous amount of patience. Time is money.	4/25/2022 9:54 AM
6	yes	4/15/2022 1:40 PM
7	Staff is good, but sometimes lack consistancy and accuracy	4/14/2022 7:14 PM
8	Staff are helpful. City Council is a problem.	4/14/2022 9:26 AM
9	For the most part, staff is very helpful.	4/14/2022 8:44 AM

Q8 What is an estimate of the cost assumptions you use for local development? (e.g. land costs per acre, construction costs per square feet or per unit)

#	RESPONSES	DATE
1	We don't build or develop so those costs don't apply.	4/28/2022 4:35 PM
2	Cost per unit	4/27/2022 9:49 AM
3	Can' t answer this generality, too many cost variables	4/25/2022 10:58 AM
4	way too many variables to discuss here.	4/25/2022 10:44 AM
5	As the architect, I do not do cost estimating. I try to maximize density to spread cost and keep designs attractive but simple to build. I only do subdivisions no custom homes. So efficiency is critical.	4/25/2022 9:54 AM
6	very expensive but comparable to county rates	4/15/2022 1:40 PM
7	A very common question that is not answerable without context	4/14/2022 7:14 PM
8	That is a moving target (on a daily basis).	4/14/2022 9:26 AM
9	Question is too broad - what product type, and what size?	4/14/2022 8:44 AM

Q9 The biggest housing needs facing Healdsburg today are (check all that apply):



ANSWE	R CHOICES	RESPONSES				
Need ho	using choices in lower price range	77.78%	7			
Need mo	re housing for seniors	33.33%	3			
Need lov	/er-cost rental housing	66.67%				
Need ho	mes that are affordable to first-time homebuyers	77.78%	7			
Healdsb	urg needs housing for people who work in the City	77.78%	7			
All of He	aldsburg's housing needs are being met	0.00%	0			
Other (pl	ease specify)	77.78%	7			
Total Re	spondents: 9					
#	OTHER (PLEASE SPECIFY)	DATE				
1	Beautiful Housing for Seniors might facilitate transition of Seniors living alone in SF, thus 4/27/2022 9:49 Al freeing up those homes available for families					
2	Homeless-dedicated housing 4/25/2022 10:58 AM					

2	Homeless dedicated housing	4/25/2022 10.50 AM
3	we can not continue to subsidize housing in an effort to avoid addressing the relationship between what people earn in our community and what it costs to live here.	4/25/2022 10:44 AM
4	I designed Healdsburg Senior Housing on Parkland Farms. So I'm not aware of current need for senior housing, it may be needed but I'm not aware.	4/25/2022 9:54 AM

City of Healdsburg Housing Element Update - Developer Survey

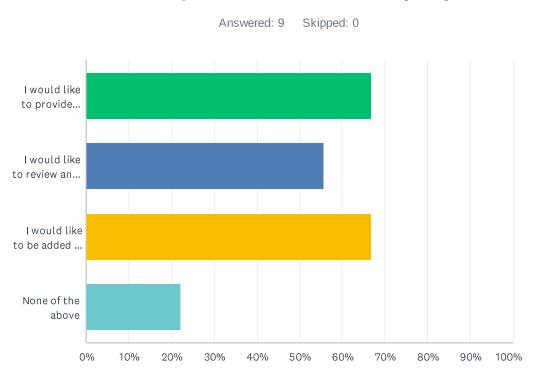
5	The only solution to affordable housing is government housing. Personal property rights should not be compromised.	4/15/2022 1:40 PM
6	Historically, a significant % of 'affordable housing' comes when existing sellers 'move up' and sell their older home, making a less expensive home for sale.	4/14/2022 7:14 PM
7	We need increased housing for all groups. Increased options will translate into improved affordability but greatest needs are at the lower end of the spectrum.	4/14/2022 9:26 AM

Q10 What makes this jurisdiction unique to develop in? How does that affect your decision whether or not to pursue a local project?

#	RESPONSES	DATE
1	The market rate homes are not affordable to the workforce who are priced out. Providing workforce housing creates a vehicle by which to recruit and retain our workforce, give an opportunity to build equity, sell to another qualified family and buy a market rate home in the community. It is a chance to stop renting, start owning, build equity and buy market rate. This activity meets our mission of creating homeownership opportunities for working families in Sonoma County.	4/28/2022 4:35 PM
2	Growth Ordinance would stop me from large scale development. ADU development is a good fit for Healdsburg.	4/27/2022 9:49 AM
3	City support and city understanding of the issues is high and very helpful	4/25/2022 10:58 AM
4	this is not a serious question.	4/25/2022 10:44 AM
5	There is both fire danger and you are in the flood plain that can increase insurance costs. It's highly desirable so very very expensive. Very little land of a size available that would be cost effective to build on. There are a minimum number of units needed to make a project feasible. Small parcels are not going to work.	4/25/2022 9:54 AM
6	Small town, natural boundaries, nature, but still close to urban areas	4/15/2022 1:40 PM
7	1. Geographic constraints ie Mountain, earthquake faults, river/floods, US 101 2. Political constraints ie GMO, UGB, restrictive zoning,NIMBY 3.Prices in Healdsburg are driven by classic economics - A Quality Community B. Scarcity of supply C. High barriers to entry	4/14/2022 7:14 PM
8	It is sooo expensive and the segment of the population that is opposed to change/construction/growth is the loudest.	4/14/2022 9:26 AM
9	Desirable wine country destination with regional appeal	4/14/2022 8:44 AM

Q11 What are some unique features of Healdsburg that can be housing opportunities for the community? For example: Underutilized commercial/industrial spaces that could include housing Large lots that could accommodate additional housing units, e.g., churches, schools, and strip malls Large homes that could be modified to accommodate more residents Other programs to facilitate housing production, preservation, and protection

#	RESPONSES	DATE
1	Preserve the existing housing stock in perpetuity with the community land trust model. Use infill for affordable housing development. Pre-determine what sites will be used for affordable housing and fast track entitlement. Use the community land trust model so all homes are stewarded, support provided for households and homes affordable in perpetuity.	4/28/2022 4:35 PM
2	See comments above. Extending City Services to the South of town across the bridge would free up large amounts of underutilized, fallow and blighted land with River Front access that could be incorporated to provide a unique park scape environment with Housing and Services in a New Neighborhood serving local needs.	4/27/2022 9:49 AM
3	No features particularly unique to Healdsburg	4/25/2022 10:58 AM
4	see response to question 10.	4/25/2022 10:44 AM
5	I practice in Oregon as well. We have eliminated single family only zoning and allow duplex, triplex, 4-plex, town houses and cottage clusters on any land zoned single family residential. This opens up opportunities for more housing. We also allow subdivision of larger lots to allow for ownership in a multi-plex. I recommend you look at my town of Bend OR for some great planning efforts.	4/25/2022 9:54 AM
6	no comment	4/15/2022 1:40 PM
7	Change in rules to provide clarity for all of the above	4/14/2022 7:14 PM
8	Underutilized CML/Ind space offers the lowest hanging fruit.	4/14/2022 9:26 AM
9	Multi family housing will continue to be stifled until the GMO is radically modified or removed.	4/14/2022 8:44 AM



ANSWER CHOICES					
I would like to provide input through a stakeholder interview or meeting	66.67%	6			
I would like to review and provide input on the Draft Housing Strategy and/or the Draft Assessment of Fair Housing	55.56%	5			
I would like to be added to the Housing Element Update email contact list to receive updates	66.67%	6			
None of the above	22.22%	2			
Total Respondents: 9					

Q12 How would you like to be involved going forward?

City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element <u>Appendix F.</u> Pending, Approved, and Permitted Project Details Appendix F Pipeline Project Detail

										_		Nu	umber of	Units			_	
Pipeline Project Number	Project Name	Developer	APN	Address	TCAC Resource Area Designation	General Plan Designation	Zoning	Site Acreage	Max Allowed Density (units per acre)	Effective Density	Total	ELI	VLI	u	MI	AMI	Basis for Assuring Affordability and Project Status	Anticipated Occupancy
1	111 Sawmill	Replay and Eden Housing	002-870-(002) (003) (004) (005) (006) (007) (008)	146/168 Healdsburg Ave 111 Saw Mill Circle (Affordable Site)	Low	MU	MU	9.59	10 to 16	21.7	208	0	24	16	1	167	Under Construction, consistent with DA (dated 3/11/2019); Affordable Housing Agreement with Eden in place (dated 2/11/2020)	est. 2023
2	155 Dry Creek	Burbank and Reach for Home	089-071-002	155 Dry Creek Road	High	MU	MU	3.52	10 to 16	16.5	58	5	52	0	1	0	Under ENA with City; Entitled on 9/27/2022; DDA is drafted and under review; Affordable Housing Agreement is pending	est. 2024 or 2025
3	Saggio Hills	Montage, LLC and Freebird Development	091-040-004 091-040-061 091-040-062	Saggio Hills Affordable Housing Site	High	MHR, PD Overlay	R-1-3500	14.16 (affordable parcel)	6 to 10	8.3	188	11	11	86	10	70	Under ENA with City; Entitled 2011; DA and DDA are scheduled to go to Council on 2/28/23; Affordable Housing Covenant is pending	est. 2025
4	3 Healdsburg	KHE Holdings	088-170-003	3 Healdsburg Avenue	Low	HR	RM	1.232	10 to 20	24.4	30	0	2	1	0	27	Entitled on 12/13/2022; Affordable units are Inclusionary units and the Affordable Housing Agreement is a condition of approval	est. 2025
5	Enso Village	Kendal Corporation	091-060-037	1801 Boxheart Drive	High	MU/NEAP Overlay	MU	16.07	10 to 16	13.8	221	0	10	5	15	191	Under construction; Affordable Housing Regulatory Agreement is in place (modified June 2022)	est. 2024
6	Comstock	Comstock/Burbank Housing	091-060-041 091-060-039	TBD	High	MU/NEAP Overlay	MU	7.99	10 to 16	9.6	77	0	20	20	13	24	Entitled; 4th Amendment to DA going to CC on 3/20/23; Affordable Housing Regulatory Agreement with Burbank is pending	est. 2024
7	Farmstand	Farmstand, LLC	089-081-013 089-081-013 089-120-004 089-120-004	1069 Grove 1069 Grove 979 Grove 979 Grove	Low	MR GMU MR GMU	R-1-6000 MU R-1-6000 MU	8.9 0.92 3.41 1.67	7 10 to 16 7 10 to 16	1.9	28	0	0	1	3	24	Final map approved 2017; affordable units are inclusionary; affordability agreement revised 2019; under construction	2022 - 2026
	TOTAL										810	16	119	129	43	503		

City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element

City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element Technical Background Report May 1, 2023



1. INTRODUCTION

To meet all statutory requirements in Government Code §65583(a) (1) and (2) related to quantification and analysis of existing housing needs, this Technical Background Report (TBR) includes locally acquired information and data from the U.S. Census, including but not limited to, areas of economic and ethnic segregation, special needs, and the housing stock. Local housing resources, and an analysis of housing constraints are primarily informed by City staff and members of the Housing Element Work Group (HEWG). The sections are as follows:

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2. HOUSING NEEDS DATA

To meet all statutory requirements in Government Code §65583(a) (1) and (2) related to quantification and analysis of existing housing needs, this Technical Background Report (TBR) includes locally acquired information and data from the U.S. Census, including but not limited to, areas of economic and ethnic segregation, special needs, and the housing stock. Local housing resources, and an analysis of housing constraints are primarily informed by City staff and members of the Housing Element Work Group (HEWG)..

This section of the Technical Background Report, in conjunction with the Housing Needs Data Report described below, includes the required quantification and analysis of needs, identification and analysis of the housing needs for special needs populations, and an analysis of zoning for a variety of housing types. Key information from this analysis is summarized earlier in Section 1 of this Housing Element.

Pre-Certified Housing Needs Dataset

The Housing Needs Data Report provided by the Association of Bay Area Governments is included in **Appendix C** and was used to prepare this Housing Element. This appendix contains a list of housing terms, RHNA methodology, household characteristics, demographics of housing stock, and data on special needs populations. The data in this report was reviewed and pre-certified by the California Department of Housing and Community Development (HCD) in April 2021 and meets most of the requirements for quantification of existing and projected, including the following:

- Population, employment trends and existing and projected housing needs for all income levels
- Household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding (e.g., existing households, existing extremely lowincome households, total, lower and extremely low-income households overpaying, overcrowded households)
- Special housing needs (e.g., number of persons with disabilities, number of persons with developmental disabilities, elderly households by tenure, large households by tenure, farmworkers and female headed households)

The remaining housing needs data requirements, including quantification of persons experiencing homelessness, estimation of the number of units in need of rehabilitation and replacement, and projects at-risk of converting to market rate uses, are addressed within this section as the "Technical Background Report." The section also contains other data related to local housing programs and resources, an analysis of housing constraints, and the assessment of fair housing.



Special Needs Housing Analysis

Per Government Code §65583(a)(1)(2), a quantitative analysis of population and employment trends and existing and projected housing needs for all income groups shall be included in this section of the Housing Element. This includes household and housing characteristics that are unique to Healdsburg. State housing law identifies special needs groups as: elderly households; disabled persons, including those with developmental disabilities; large households; female-headed households; homeless families and persons in need of emergency shelter; and agricultural workers. By identifying and analyzing housing needs, the City can provide resources and actions to accommodate a diversity of housing needs.

Low-income large households with four (4) or more persons, female-headed households with 1 or 2 children, and aging individuals experiencing disabilities represent demographics with the greatest need for expanded affordable housing options in Healdsburg, as follows:

- 4.5% of large households are renters and tend to live below the AMI
- Female-headed households with 1 or 2 children living under the poverty level represent 1% of total households in Healdsburg and 41% of total households living under the poverty level and are most at risk of housing insecurity
- 7.3% of individuals aged 35 to 64 years old experience a disability with ambulatory difficulties being the most common difficulty
- 38% of total individuals with developmental disabilities are between ages 23 to 54.

According to US Census 2019, 5-year estimates, Healdsburg's population increased by 7% from 11,082 in 2010 to 11,845 in 2019. The area median income (AMI) for a family of four Sonoma County is \$112,800 as of May 2022. Employment rates for individuals over 16 years old are approximately 55% with the most common occupation being management, business, science, and arts. The 2019 US Census shows that the median gross rent in Healdsburg is \$1,736. Median gross rent has been increasing annually by roughly 6% and represents a growing disparity for renter-occupied large households as stagnant wages, housing shortages, and fire disasters continue to exacerbate overcrowded conditions particularly for low-income households.

Due to high land and home costs, it is important that adequate zoning provisions allow for the accommodation of affordable multifamily projects and residential care facilities. Developments with on-site day care and/or community services located in commercial or mixed-use areas can offer a highly viable option to meet the housing needs of special needs households mentioned above.

Extremely Low-Income Housing

Extremely low-income (ELI) households represent households making 30% of the AMI, or \$33,840 per household per year. According to the 2019 US Census, approximately 553 households earn \$24,999 or less and are considered ELI, and 270 households make between \$25,000 and \$34,999. In Healdsburg, the median household income for ELI households is \$26,772 or less based on 2019 estimates. Healdsburg has a total of 4,635 occupied housing units.¹

¹ U.S. Census Bureau



ELI households make up roughly 12% of total households. Of the total ELI

households, 160 are renters and 140 are owners who experience housing problems, as shown in **Table 1**. Similarly, those who experience any housing problem may also experience cost burden and spend more than 50% of their income on housing. Estimates from the 2017-2019 California Poverty Measure show that 14.4% of households in Sonoma County live within the poverty threshold making approximately 18% of the AMI. ²

In Healdsburg, 405 owners and 630 renters are households among low-income groups who experience at least 1 of 4 severe housing problems, as shown in **Table 1** below. Housing problems include incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%. Less severe housing problems include incomplete kitchens and plumbing facilities, more than one (1) person per room, and cost burden greater than 30%.³

Cost/fee type	Total renters	Total owners	Total households
Household income ≤30)% AMI (≤\$33,840)		
Any housing problem	160	140	300
Cost burden >30%	160	140	300
Cost burden >50%1	150	140	190
Household income >30	9% to ≤50% (>\$33,840) to ≤\$56,400) median	family income
A I · II	255	160	415
Any housing problem	233	100	415
, , , , , , , , , , , , , , , , , , , ,	255	160	415
Cost burden > 30%	255		415
Cost burden > 30%	255	160	415

Table 1: City of Healdsburg Cost Burden and Housing Problems by Tenure

1 Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes (CHAS 2014-2018 ACS).

ABAG released their RHNA goals for the San Francisco Bay Area in December 2021 that was approved by HCD in January 2022. According to RHNA, Healdsburg must accommodate 190 units for very low-income (VLI) households during the 2023-2031 cycle. Although RHNA and Housing Needs Data Report does not include ELI household projections, the housing need for the extremely low-income group is calculated using U.S. Census Bureau data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households. In Healdsburg, 970 of Healdsburg's households are 0 to 50% AMI while 425 are extremely low-income. Therefore, extremely low-income households represent 43.8% of households who are 0 to 50% AMI, as 425

 ² Public Policy Institute of California, 2022. https://www.ppic.org/publication/poverty-in-california/
 ³ ABAG, 2021



divided by 970 is 43.8%. As such, the RHNA goals project 83 units for ELI households and 107 units for VLI households.

ELI households have the highest needs and represent a portion of the population who are most atrisk of housing insecurity and associated health risks. This can be exacerbated by stagnant wages and increasing cost of living that may result in the lack of adequate resources to meet basic daily needs. ELI households are multiple wage earners and can be characterized as food service workers, full-time students, teachers, farmworkers, and healthcare professionals (ABAG, 2021). Housing types that can accommodate ELI households include supportive housing, single-room occupancy (SROs) units, mobile homes, studios, and one-bedroom units.

SROs and multi-family dwellings mixed with commercial use on-site are permitted in Downtown Commercial (CD) and Service Commercial (CS) zones and conditionally allowed in Plaza Retail (PR) zones. Supportive housing is permitted in all commercial and residential zones, including singlefamily residential (R-1), multi-family residential (RM), downtown residential (DR), mixed use (GMU, MU) zones, and industrial (I) zones.

Victory Studio Apartments in Healdsburg was recently completed and contains 20 units targeted for ELI households. Additionally, the acquisition of the L&M Motel resulted in the creation of 22 units targeted for ELI households. An additional 16 ELI units are planned as part of the Saggio Hill project and the project at 155 Dry Creek.

The City participates in Sonoma County's Urban County area and is one of eight jurisdictions that receive HOME and CDBG funds to acquire, construct, and/or rehabilitate affordable housing for lower-income families. The City also partners with local non-profit organizations including Reach for Home, Housing Land Trust for Sonoma County, Fair Housing Advocates of Northern California, and others to provide housing services and financial assistance for low-income families.

Housing Program 8 (Section 2) allows the City to promote housing for ELI households and work with developers to provide funding applications. As such, the City continues to work with developers and local organizations to provide a variety of housing options for ELI households.

Elderly

Senior households represent individuals 65 years and older and may often experience challenges from accessing or securing affordable housing due to inflation coupled with living on a fixed income such as pensions, Social Security, and/or personal savings, which can result in over 50% of their income going towards housing costs. Increasing costs of living and healthcare can exacerbate existing issues related to disabilities, chronic health conditions or reduced mobility. Seniors who rent may be at greater risk of housing insecurity than those who own due to income differences.

According to the 2019 American Community Survey, 49.4% of total households are elderly who live alone in a nonfamily household. Nonfamily households consist of a householder living alone or where a householder shares a home exclusively with people whom they are not related. About 16.7% of senior households live with a married-couple family whereas 1.4% of senior households do not live alone in a non-family household such as an assisted living facility or senior care home. Of the 1,859 total senior households, 1,394 are owner occupied and 465 are rented. Although a large proportion of owner-occupied senior households make above the AMI (30%), a larger proportion of



extremely low-income senior households are renter-occupied (62%), which demonstrates that senior households who rent are at greater risks of housing challenges.



Income Level	Owner	Renter
Extremely low income 0 - 30% AMI	75	120
Very low income 31 - 50% AMI	170	75
Low income 51 - 80% AMI	129	60
Moderate income 81 - 100% AMI	185	40
Above moderate income 100%+ AMI	835	170
Total	1,394	465
Source: U.S. Department of Housi 2017 release	ng and Urban Development (HUD),	CHAS ACS Tabulation, 2013-

Table 2:Elderly Households by Income and Tenure

While younger householders can often perform routine home repairs independently, elderly householders are often physically limited and must rely on others for assistance. Elderly householders may also not be able to afford home refurbishments or modifications needed to ensure safety and improve mobility features, such as grab bars and ramps. Younger householders may be more willing to move if the features are no longer desirable while elderly householders are less willing to move for several reasons. Despite the physical conditions of a home, most often the home is familiar and is more cost effective to stay in the home rather than a facility.

For elderly householders who live in care homes or assisted living facilities, they buy into a life care project for an initial fee and monthly payments thereafter that provide services such as cooking, housekeeping, maintenance, and nursing. The fees assure occupancy and security of a particular unit size and may include meals.

SROs, ADUs/JADUs, senior residential care facilities, mobile home parks, and subsidized multifamily dwelling units continue to be viable housing options for seniors to age in-place. The zoning code allows ADUs/JADUs in all zoning districts except industrial areas. General residential care is conditionally allowed, and limited residential care is allowed in all residential and commercial or mixed-use areas. Mobile home parks are conditionally allowed in RM zones. Multi-family dwellings are allowed in RM, CD, CS zones, conditionally in DR & PR zones, and allowed in MU zones as 100% residential use.

Pacifica Senior Living Community (38 rooms) provides skilled nursing, assisted living, and dementia care. Magnolia Manor (6 beds), Fitch Mountain Terraces (60 units) and Parkland Senior Apartments (23 units) target seniors aged 62+ years old. The City continues to encourage senior housing development, rehabilitation, and preservation, particularly in areas near public transit and services consistent with Policy 5.7 of this Housing Element and Housing Program 8 - Extremely Low-Income, Homeless, and Special Needs Housing Program (subprogram 6). The Enso Village project is a Zeninspired senior living project being developed by Kendal Corporation, located within the North Entry Plan area and part of the North Village project. The project will create 221 units, including 10 Very Low-income units, five (5) Low-income units and 15 Moderate-income units, with the remainder



Above Moderate-income. There will be a mix of independent living units,

assisted living units and memory support units in support of the City's special needs housing goals.

Additionally, the City's Senior Citizens Advisory Commission retains representatives in the community to advocate for senior needs to the city council. Regionally, nonprofit housing providers such as Petaluma Ecumenical Properties (PEP) Housing provide access to affordable housing for fixed income seniors. Additionally, SHARE Sonoma County is an organization that provides a matching service for low-income individuals who need housing with seniors who need caretaking services in their home. This program provides house sharing opportunities and allows seniors to age-in-place with reduced housing maintenance costs.

Persons with Disabilities, including Developmental Disabilities

State law defines disability as a "physical or mental impairment that makes performance of a major life activity difficult" (CA Dept of Fair Employment and Housing, 2022).

Physical impairment includes physiological disease, disorder, condition, cosmetic disfigurement or anatomical loss that affects one or more of the following body systems:

- Neurological, immunological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, endocrine systems, or similar conditions
- Mental impairment includes psychological disorder or condition, such as mental impairment, organic brain syndrome, emotional or mental illness, specific learning disabilities, or any other mental or psychological disorder or condition that requires special education or related services

Furthermore, physical and mental impairments can include chronic or episodic conditions such as HIV/AIDS, hepatitis, epilepsy, seizure disorder, multiple sclerosis, heart disease, and other similar conditions. The level of difficulty means that any limitation to a major life activity is protected under state law such as the Prudence K. Poppink Act and Fair Employment and Housing Act. Most individuals in this group typically live on a small, fixed income that limits their ability to pay for housing. Individuals with mental, physical, or developmental disabilities need safe and affordable housing that is close to supportive services. As such, an analysis of any special needs housing, including persons with disabilities and developmental disabilities, allows the jurisdiction to implement housing strategies for specific needs of the target population, per Government Code §65583(a)(7)).

According to the US Census Bureau's 2019 ACS 5-Year estimates, roughly 9.6% of residents in Healdsburg experience a disability. Approximately 28.4% of individuals 75 years or older experience a disability. About 7.3% of individuals aged 35 to 64 years old experience a disability and represent the largest subgroup in Healdsburg. Ambulatory difficulties are the most common among all groups aged 18 and older and represent about 4.1% of the total population in Healdsburg. Cognitive difficulties are the most common among those age 17 and younger and represent about 3.3% of total individuals aged 17 and younger. An individual may have overlapping difficulties and indicates that individuals exiting the workforce into retirement with ambulatory difficulties and young children and teenagers with cognitive difficulties have the highest need for stable housing and services.



Under 5 years	5-17 years	18-34 years	35-64 years	65-74 years	75+ years	Total
0	9	37	58	172	134	410
0	15	0	66	50	52	183
70 ¹		70	78	9	51	278
1 ¹		51	195	91	145	483
0		0	55	0	56	111
-	-	40	66	64	86	256
	years 0 0 70 ¹ 1 ¹ 0 -	years years 0 9 0 15 70 ¹ - 1 ¹ - 0 -	years years years 0 9 37 0 15 0 70^1 70 1 ¹ 51 0 0 - 40	yearsyearsyearsyears093758015066 70^1 7078 1^1 5119505566-4066	yearsyearsyearsyears09375817201506650 70^1 70789 1^1 511959100550	yearsyearsyearsyearsyearsyears0937581721340150665052 70^1 7078951 1^1 511959114505505640666486

Table 3:Disability Type per Age Group in Healdsburg

Source: US Census Bureau, S1810 Disability Characteristics, 2019: ACS 5-Year Estimates

¹ The number of individuals experiencing cognitive, ambulatory, and self-care difficulties represent age groups 17 and younger.

Additionally, SB 812 amended California's Housing Element law to evaluate special housing needs for individuals experiencing developmental disabilities. Developmental disability is defined as an impairment that "originates before an individual attains 18 years of age, continues or may continue indefinitely, and constitutes a substantial disability for that individual" per the Lanternman Act. This includes intellectual disability, cerebral palsy, epilepsy, and autism. While the US Census does not contain information regarding developmental disability, the North Bay Regional Center is a non-profit, private organization that is contracted with the California Department of Developmental Services and partners with community-based organizations and agencies to serve developmentally disabled residents in the Sonoma County.

North Bay Regional Center provided data regarding the number of individuals with development disabilities in Healdsburg, as shown in **Table 4** below. Of the total population with developmental disabilities, 55% (47) are children and young adults aged 22 years or younger. Children and teenagers within this age group are most likely to live at home with a parent or guardian. Of the remaining population experiencing developmental disabilities, 38% (32) are adults aged 23 and 54 and 7% (6) are senior citizens .

Zip Code	0-14 years	15-22 years	23-54 years	55-65 years	65+ years	Total	
95448	31	16	32	4	2	85	
Source: North B	Source: North Bay Regional Center, 2022						

Table 4: Healdsburg Developmentally Disabled Individuals per Age Group

Individuals aged 23 to 54 are most vulnerable to housing insecurity due to aging parents or guardians who may no longer be able to care for the individual that has specific needs. Individuals 23 years and older may continue living at home but with contracted at-home care providers or live in an assisted living facility based on the severity of the disability. Individuals within this demographic typically live on a fixed income such as SSI and require personalized care to conduct daily tasks. Similarly, individuals experiencing ambulatory difficulties as mentioned in **Table 3** also require at-home care or care at assisted living communities. Assisted living facilities are considered residential uses and are allowed as



multifamily development in MU zone under the North Entry Area Plan overlay zone (M.C.20.12.210). The development is not subject to floor area ratio limitations.

Fitch Mountain Terrace in Healdsburg is a 60-unit affordable housing development targeting seniors aged 62+ years old and persons with disabilities. Foss Creek Apartments provide 64 units targeting homeless, individuals with special needs, and others that meet the income threshold. Although the inventory of affordable units is robust to meet a variety of needs, there is a need for affordable units and special needs services targeting individuals aged 23-54 years with disabilities who are aging and want an independent lifestyle. The Exchange is a 41-unit affordable housing project within the Mill District development near the future Sonoma-Marin Area Rail Transit (SMART) stop that will serve low-income households.

As such, providing a variety of housing types such as assisted living communities, residential care facilities, SROs with an on-site manager, and other supportive living communities near public transit can be beneficial to the demographic. Policy 5.8 has been added to this Housing Element update to continue to encourage the provision of new affordable housing projects that serve people with developmental disabilities. This includes facilitating Community Care HCD licensing, streamlining required land use approvals, and incentivizing developers to set aside a portion of units for developmentally disabled through subsidies and fee waivers.

Becoming Independent is a non-profit organization that serves North Bay residents with disabilities and provides independent and supported living services for Healdsburg residents. Program 8 has been added to this Housing Element to increase the city's existing capacity for coordinated services with local and regional non-profits.

Farmworkers

Statewide, farmworker housing is of unique concern and importance. Farmworkers are essential to the region's economy and its food supply. According to the United States Department of Agriculture (USDA) 2017 Census of Agriculture, only 18% of Sonoma County's farmworkers are migrant workers, with 82% of farmworkers considered settled and working farm(s) within 75 miles of their residences. Of the County's 3,594 farms counted in 2017, 48% used hired farm labor, 93% were considered family farms, and 44% of farms were smaller than 10 acres.

The 2019 ACS 5-Year Estimate identified approximately 249 Healdsburg residents employed in farming, fishing, and forestry occupations, representing 4.1% of the City workforce, 2.1% of City residents, and 3.39% of Sonoma County farmworkers. Healdsburg is surrounded by agriculture, and local farmworkers and their families need housing nearby.

Farmworker families in Sonoma County were estimated to spend between 30% and 54% of their annual income on housing during 2013-2014. Two-thirds of farmworkers lived in overcrowded dwellings in Sonoma County, and farmworkers who lived with their families were the most likely to live in overcrowded conditions. Per the Sonoma County Farmworker Health Survey 2013-2014, the "majority of farmworkers (88%) reported that Sonoma County was their permanent residence, and most (71%) farmworkers were living in the US with their families." At that time the average annual income for single, childless farmworkers permanently residing in Sonoma County was \$18,750, while the County median income was \$35,510. Farmworker family earnings were \$23,750, compared to



the median family income of \$69,920. Farmworker families were estimated to spend between 30% and 54% of their annual income on housing.

In 2021, the Press Democrat published a special report on low-wage earners living in Sonoma County, stating "many are farmworkers... who live in cramped apartments with too many people, or sheds with only a chemical toilet, or tiny mobile homes with leaking roofs or backed-up sewage pipes." Two-thirds of farmworkers lived in overcrowded dwellings in Sonoma County, and farmworkers who lived with their families were the most likely to live in overcrowded conditions.

In Healdsburg, the U.S. Department of Agriculture (USDA)-subsidized Harvest Grove Apartments is a 44-unit apartment community on 3 acres of land dedicated to very low-income agricultural workers and their families. Additional agricultural worker housing in Healdsburg includes the Quarry Ridge, a 20-unit apartment on 1.93 acres of land dedicated to low-income families. The project was financed by USDA, HCD, and SHOP. The project's program also includes a reduced mortgage loan, favorable loan terms, and reduced cash down payment requirements.

Large Households

Large households typically comprise of five (5) or more persons residing together under one roof, and may include multiple generations including a young family, grandparents, and extended family members. Large households serve a unique need in that householders may need to save money due to the high cost of living, share responsibilities for religious or cultural reasons, serve a member with disabilities, and other personal reasons. Housing units with three (3) or more bedrooms are residential types that serve large households and are mainly renter occupied.

In Healdsburg, large households represent 19% of the total units. Households with 2-3 bedrooms represent the largest share of housing type. Owner-occupied large households represent 14.5% of total units whereas renters represent 4.5% of total units and is lower than the County estimates, as shown in **Table 5** below.

Bedroom type	Owner households	norcont	Renter households	percent	All households	percent
0-1 bedrooms	69	1.5	334	7.2	403	8.7
2-3 bedrooms	2,060	44.4	1,290	27.8	3,350	72.3
4+ bedrooms	674	14.5	208	4.5	882	19.0
Total	2,803	60.5%	1,832	40.0%	4,635	100%
Source: US Census	Source: US Census Bureau S2504 2019: ACS 5-Year Estimates					

Table 5:	Existing Housing	Stock - Number	of Households by Tenure

US Census Data shows an increase in large family households since 2015 from 17.9% of total households to 22.1% of total households in 2019. In 2015, 14.9% of owners and 22% of renters were large households, growing to 16.2% of owners and 29.5% of renters in 2019.

According to ABAG, 14.3% of large households were very low-income and earned less than 50% AMI in 2017. In Healdsburg, 14% (30) of total large households are very low-income earning 31 - 50% of the AMI and 86% (180) are above moderate-income earning more than 100% AMI.



Renter-occupied large households tend to live below the AMI and are more

likely to face housing insecurity due to lack of affordability for four or more bedrooms. A typical fourbedroom house on the market in 2022 ranged from \$859,000 to \$1.3 million. The City has worked with developers to include units for large households in affordable housing projects, including Harvest Grove and Riverfield Homes. Additionally, large households can benefit from creative multifamily dwelling solutions such as co-housing units with on-site childcare facilities. This type of development may be sited in commercial or mixed-use areas that are near services. The city's municipal code permits multifamily, small-family day care uses and commercial mixed uses in CD and CS zones. 100% multifamily residential is permitted in MU and RM zones. Development standards allow maximum FARs and reduced parking requirements in commercial districts. As such, financial incentives that support and encourage developers to create mixed-use housing that targets low-income large households of five or more members can benefit the demographic and provide for a variety of housing needs.

Female-Headed Households

Female-headed (FH) households include single-parent households reliant on a single income and can experience increased cost burden due to high living costs and childcare costs. Cost burden over time can result in poverty in which households make 18% of the AMI. Additionally, lack of resources needed for childcare or job training services may exacerbate housing cost burden and increase the need for affordable housing.

Table 6 below shows female-headed households with no spouse or parent present and represents roughly 18% of total households in Healdsburg, which is lower than the County's estimate. Families that live below the poverty level represent 2.5% of total households and roughly 48% of the total number of families living below poverty are single-parent females. Comparatively, 2015 ACS estimated roughly 2.6% of female-headed households that lived below the poverty level. About 52% of all households living below the poverty limit were single-parent females and indicates a slight decrease in the female-headed households in poverty.

Household type	Number	Percent
Total households	4,635	100
Total FH households	1,272	27.4
FH households w. children under 18	170	3.7
FH households living alone	841	18.1
Total families under the poverty level	115	2.5
FH households under the poverty level	55	1.2
No child	8	<1
1 or 2 children	47	1
3 or 4 children	0	0
Source: US Census Tables B17012 &	DP02 2019: ACS 5-Year estimates	

Table 6:	Female-Headed Households in Healdsburg
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Female-headed households with 1 or 2 children living under the federal poverty level have the greatest need for affordable housing in Healdsburg. Low-income female-headed households may qualify for housing vouchers or other rental subsidies that lower housing costs. Additionally, FH households can benefit from transitional or shared housing, ADUs/JADUs, and mobile homes that allow for long-term residency. This may include fixed-term affordability provisions, matching service that connects low-income FH households to affordable units throughout the region, and other unconventional multifamily housing strategies such as co-housing units with on-site daycare and communal facilities as mentioned above. Supportive and transitional housing is permitted in all residential and commercial or mixed-use areas and are subject to the residential development standards for each zoning district. Identifying more site opportunities that expand multifamily options for low-income female headed households can greatly benefit this demographic.

Riverfield Homes is a six-unit multifamily development targeting low-income families. Mill District is a 41-unit affordable housing complex aimed at low-income families and working individuals. Sonoma County's Community Action Partnership provides short-term housing targeting women and children to transition into permanent housing through the Pathways Program. Program 8 of this Housing Element allows the city to continue providing extremely low-income housing for special needs groups consistent with Policies 5.4 and 5.11.

Homelessness

Homeless individuals and families have perhaps the most immediate housing need of any group. They also have one of the most difficult sets of housing needs and support services to meet, due to both the diversity and the complexity of factors that lead to homelessness. HUD defines homelessness as "living in a supervised...shelter...to provide temporary living arrangement" or an individual whose "primary nighttime residence [is] not designed for or ordinarily used as a regular sleeping accommodation...including a car, park, abandoned building, bus or train station, airport, or camping ground." California law requires that Housing Elements estimate the need for emergency shelter or other types of viable shelters for individuals experiencing homelessness.

The top three drivers of homelessness are losing a job, alcohol or drug abuse, and domestic dispute.⁴ Some can receive wrap-around services and re-enter the workforce while some continue to experience chronic homelessness. The top three constraints to securing permanent housing are unaffordable rent, lack of adequate income, and lack of funds.

According to the 2022 Sonoma County Point-In-Time survey, 97 homeless individuals were observed in Healdsburg (100% unsheltered). The number of individuals has generally decreased since 2018 from a total of 129 individuals, though the population has increased from 64 in 2019 and 69 in 2020.

Homeless shelters, transitional and supportive housing continue to be viable options for individuals experiencing homelessness. The zoning code allows transitional and supportive housing in all residential and commercial or mixed-use areas in Healdsburg. Homeless shelters are permitted in CS zone and residential districts that are subject to development standards under M.C. 20.20.045.

⁴ ABAG/MTC Housing Data Needs Workbook, 2021



On-site parking provisions allow a minimum of one parking spot per resident

family, 0.35 parking space per bed and one space per staff member. Policy 5.3 of this Housing Element amends multi-family, mixed-use, and nonresidential zoning districts to allow permanent supportive housing and low-barrier navigation centers.

Sonoma County CDC secured Project Homekey funds of \$7 million in December 2021 for the renovation of the 22-unit L&M Motel at 70 Healdsburg Avenue. Subsequently on March 22, 2022, the Board of Supervisors approved capital funds of \$950,000 to continue renovations. The project will target the chronically homeless and provide temporary housing to families and individuals by August 2022. Other shelters in Healdsburg include Holbrook Apartment, an 11-unit transitional housing for families, Victory Apartments, a four-unit transitional apartment, and Victory Studios, a seven-plex SRO transitional housing.

Additionally, the City partnered with Reach for Home, a local organization, to provide short-term rental assistance for low-income renters in Healdsburg facing homelessness due to unpaid rent, termination of other rental subsidies, or unsafe housing conditions. Other local organizations that serve homeless populations are North County Community Services, a ministry-run service in Healdsburg that accommodates four-bed overnight emergency shelters, and Reach for Home, a local organization that services homeless shelters through on-site management. The County's CoC program includes a strategic planning process that also provides rental assistance for individuals in permanent supportive housing and other homelessness services. Program 8 of this housing element establishes goals for the City to continue participating in the county's strategic plan, periodic surveys, and implementation of the Northern Sonoma County Homelessness Plan.



Zoning for a Variety of Housing Types

Healdsburg has four zoning district overlays.

- Hillside (H) Overlay. It is combined with any residential district. The purpose of this overlay is to
 prevent loss of views and preserve the natural beauty of the hillsides if dwellings on hillsides were
 located as close together as dwellings on level terrain. The minimum required lot area and lot
 width for a lot within a Hillside Overlay are required to increase by three percent over the
 minimum area and minimum width prescribed in the base residential zoning district.
- Development Cluster (DC) Overlay: It is applied only to the R-1-40,000 District. The purposes of the Development Cluster Overlay are to allow innovative design for housing developments, including variability in lot size, design, and configuration. It also ensures that each property complies with the General Plan residential densities and applicable specific plans. The total number of dwelling units allowed cannot exceed that allowed by the Specific Plan, PD, or RMP. Other residential dwelling types, including zero lot line and attached dwellings, are permitted if it is consistent in terms of density and configuration with an applicable Specific Plan or a Residential Master Plan Ordinance. Density ranges in any contiguous Development Cluster Overlay area shall be between 0 and 1.3 dwelling units per acre, including adjacent public rights-of-way. The minimum lot area is 6,000 square feet.
- Historic District (HD) Overlay: The purpose of this overlay is to preserve, maintain and enhance the historic integrity of designated areas that are of historic significance/structures found within the city. All uses permitted in the base zoning district are permitted in the Historic District Overlay. Construction of buildings and structures within an HD Overlay area, including accessory buildings over 400 square feet in floor area, except for accessory dwelling units (ADUs) requires approval by the historic committee. New ADU construction on a parcel containing a primary unit listed as a state or federal historic resource must comply with the Citywide Design Guidelines.
- North Entry Area Plan (NEAP) Overlay: The purpose of this overlay is to supplement the Mixed Use (MU) District as identified and help implement the community vision for a new mixed-use neighborhood at the north end of Healdsburg. Permitted and conditionally permitted uses shall be those uses permitted in the Mixed Use (MU) District.



	Zoning district	Name of Zoning District	Minimum Lot area	Minimum Site Area per Dwelling Unit
	R-1- 40,000	Single-Family Residential District	40,000 sq. ft.	Same as a minimum lot area
	R-1- 20,000	Single-Family Residential District	20,000 sq. ft.	_
Residential	R-1- 12,500	Single-Family Residential District	12,500 sq. ft.	_
Districts	R-1- 6,000	Single-Family Residential District	6,000 sq. ft. ⁽¹⁾	_
	R-1- 3,500	Single-Family Residential District	3,500 sq. ft. ⁽¹⁾	
	RM	Multi-Family Residential District	6,000 sq. ft	
	DR	Downtown Residential District	6,000 sq. ft	4500 sq. ft
Office Districts	ORM	Office and Multi-Family Residential District	6,000 sq. ft	-
	CD	Downtown Commercial District	none	2700 sq. ft.
	CS	Commercial Service District	10,000 sq. ft	2700 sq. ft.
	MU	Mixed-Use District	20,000 sq. ft	-
	GMU	Grove Street Mixed-Use District	12,500 sq. ft	12,500 sq. ft./ SFD or duplex
	RMP	Residential Master Plan District		
Special Districts				

Table 7:	Healdsburg Zoning Districts
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Single- and Multifamily Rental Housing

Single- and multifamily housing types include detached and attached single-family homes, duplexes, triplexes, townhomes, condominiums, and rental apartments. Detached single-family homes are permitted in the R-1, DR, GMU, and O zoning districts, and attached single-family homes are permitted in the R-1 and MU zones. Multifamily dwellings are permitted in the RM, ORM, CD, CS, and MU zoning districts and conditionally permitted in the PR and DR districts. Districts allowing multifamily dwellings are generally near the center of the City or near major thoroughfares and have remaining capacity for development.

According to the 2020 ACS 5-Year estimates, there are 5481 housing units in Healdsburg. Detached single-family dwellings account for most of Healdsburg's housing stock, consisting of 74% (4056 units) while single-family attached accounts for 4.7% (257 units) of housing stock. Duplexes, triplexes, and fourplexes comprise 11 percent (604 units) and multi-family complexes with five or more units comprise 9.3 percent (507 units) of the housing stock.



Housing for Agricultural Employees

There is a limited amount of agricultural land within the city limits mostly dedicated to viticulture farming. The 2020 ACS 5-Year estimate reported that 4.1% of Healdsburg's residents (249 people) were employed in the agriculture, forestry, fishing/hunting, and mining industries. The ACS data does not identify persons employed specifically in the agricultural industry or occupation. The Healdsburg Zoning Code makes zoning available to accommodate various housing types to address the needs of farm workers. Additionally, farmworkers can be and are housed in all types of housing in Healdsburg, including single- and multi-family housing. Housing specifically designated as employee housing for six or fewer employees is permitted in the R-1, DR, ORM, GMU, and MU zones, and do not have development or permitting standards above those required of a family dwelling of the same type in the same zone, in accordance with California Health and Safety Code (HSC) Section 17021.5. Housing for seven to 12 agricultural employees is conditionally permitted in the GMU zoning district. HSC Section 17021.6 requires employee housing of up to 36 beds in group quarters or 12 units to be treated as an agricultural use. While Healdsburg does not have an agricultural zoning district, agricultural uses are permitted in the OS district. Under Program 8.5, the City will amend the Land Use Code to permit employee housing of up to 36 beds or 12 units as an agricultural use upon identification as a housing need; the zone currently contains only one parcel.

The U.S. Department of Agriculture (USDA)-subsidized Harvest Grove Apartments is a 44-unit apartment community on 3 acres of land dedicated to very low-income agricultural workers and their families. Additional agricultural worker housing in Healdsburg includes the Quarry Ridge, a 20-unit apartment on 1.93 acres of land dedicated to low-income families. The project was financed by USDA, HCD, and SHOP. The project's program also includes a reduced mortgage loan, favorable loan terms, and reduced cash down payment requirements.

Emergency Shelters and Low Barrier Navigation Centers

Homeless shelters are a permitted use in the CS and P zoning districts. These districts have sufficient capacity to meet the need for emergency shelter, as shown in Table 8. These sites are located along Healdsburg Ave, with proximity to transit and amenities. In addition to these vacant sites, there is potential for reuse and redevelopment of existing buildings as emergency shelters.

APN	Zoning District	Acres	Current Use		
002-491-010	CS	0.24	Vacant		
002-491-011	CS	0.23	Vacant		
002-494-018	CS	0.23	Vacant		
Total Acreage 0.70					
Calculated using the sta		people in need of emerge	ncy shelter x 200 sq.ft per person =		

Table 8: Sites with Capacity for Emergency Shelters

Under State law, the City may apply certain written objective development and management standards for homeless shelters. The City's Land Use Code includes the following standards for homeless shelters:



- Homeless shelters located in residential districts, when not developed in an individual dwelling unit format, shall not be subject to the underlying zoning district's maximum unit density standard, but the number of beds shall be limited to three times the maximum number of dwelling units that would otherwise be permitted.
- Homeless shelters shall be separated by a minimum distance of 300 feet.
- The shelter may provide the following facilities and services for the exclusive use of the residents and staff:
 - Cooking and dining facilities;
 - Recreation facilities;
 - Counseling and educational services;
 - Child care facilities;
 - Laundry facilities.
- Temporary shelter shall be available to an individual for up to 30 consecutive days.
- A sufficiently sized indoor intake area shall be provided.
- Outdoor congregating in public view and outdoor public telephones are prohibited.
- Organized outdoor activities are limited to the hours between 8:00 a.m. and 10:00 p.m. to minimize off-site noise impacts.
- The agency or organization operating the shelter shall comply with the following requirements:
 - An on-site manager shall be present when residents are present at the shelter.
 - Staff and services shall be provided to assist residents to obtain permanent shelter and income.
 - The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, control of outdoor loitering, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
- On-site parking shall be provided at a minimum of one space per resident family, .35 spaces per bed and one space per the maximum number of staff on-site at any one time.
- Exterior lighting adequate for security purposes shall be provided. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of an intensity compatible with the vicinity.

While these standards generally encourage and facilitate the development of homeless shelters, some of them are discretionary, and some exceed the scope allowed under State law. Additionally, the Land Use Code does not currently provide allowances for low barrier navigation centers. Under Program 4.2, the City will prepare and adopt a code amendment to allow low barrier navigation



centers by-right where required and to amend the standards for homeless shelters for consistency with State law.

North County Community Services (NCCS) provides rental assistance and manages several lowincome and transitional housing units in Healdsburg. They offer emergency accommodation by converting the Parish Hall of St. Paul's Episcopal Church into the Spare Room at night. The facility has two sets of bunk beds to accommodate one to four people for one to three nights. In emergencies, two additional people can be accommodated. Staff reports that it is always full and that many guests stay at the shelter multiple times during a single month. Guests are accepted on a first-come, firstserved basis, with women and children receiving first preference. NCCS provides sheets and toiletries. St. Paul's Church also makes a shower available to the general homeless population, providing approximately 100 showers per month.

Transitional and Supportive Housing

Transitional housing is typically temporary rental housing with the provision of supportive services that are designed to help persons transitioning from homelessness maintain stability and to prevent repeated homelessness. Transitional and supportive housing are permitted in all residential zones, PR, CD, CS, GMU, MU, and I zones. The Healdsburg Land Use code specifies that transitional and supportive housing are residential uses and subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone. Under Program 4.2, the City will prepare and adopt a code amendment to permit transitional and supportive housing in the O zoning district, where detached single-family dwellings are permitted, for consistency with State law. NCCS leases Victory Apartments, a four-unit apartment building in downtown Healdsburg from the City to provide transitional housing for up to 16 very low-income people. Additionally, NCCS provides Holbrook Apartment for families and Victory Studios, a seven-plex for single occupancy transitional housing.

Single Room Occupancy (SROs)

Single Room Occupancy (SRO) is a type of development serving extremely low-income households. It includes housing with shared facilities, such as living or dining areas, with private sleeping areas. Rent is much lower than those associated with typical apartment complexes. The City's Downtown Commercial District (CD), Commercial Service District (CS), and Plaza Retail District (PR) zone district allow for single-room occupancy units.

Manufactured Homes

Manufactured homes on permanent foundations are permitted as single-family or accessory dwelling units, so long as they adhere to the land use requirements for those housing types and are made of materials similar to or compatible with conventionally built residential structures in the surrounding areas. Manufactured homes are certified under the National Mobile Home Construction and Safety Standards Act of 1974.

Mobile Home Parks

Mobile home parks (MHP) are described as "any area or tract of land where one or more spaces are rented or leased or held out for rent or lease to accommodate mobile homes, manufactured homes or travel trailers used for human habitation for 30 days or longer." Mobile homes account for 0.7



percent (39 units) of housing in the 2020 ACS 5-Year Estimate. Mobile Home Parks are conditionally permitted in multi-family residential (RM) and office and multi-family residential (ORM) districts.

Accessory Dwelling Units (ADUs)

An Accessory Dwelling Unit (ADU) is a dwelling unit for rental or occupancy that is attached to or detached from a single-family dwelling or multifamily dwelling located on the same lot as the primary dwelling(s). The City's zoning district development standards allow one attached ADU, one detached ADU, and one JADU on a new or existing single-family dwelling. An exception ADU is generally 850 square feet or less, no taller than 16 feet, and with rear and side setbacks of at least 4 feet that may be constructed without meeting development standards. For JADUs, a property owner is required to live in the primary dwelling or JADU. ADUs do not require a property owner to live onsite. On a lot with an existing multifamily dwelling structure, multiple ADUs are allowed up to 25% of the number of existing units, or one (1) ADU, whichever is greater. Multifamily ADUs can be created through the conversion of areas within the residential structure not used for livable space, such as storage rooms, boiler rooms, passageways, attics, basements, or garages.

Impact fees are not required for an ADU that is 850 square feet or less. Impact fees for ADUs larger than 850 square feet are based on the proportionate size of the ADU as compared to the primary unit and will not exceed more than 50% of the fees for a new single-family or multifamily dwelling.

Healdsburg issued 69 building permits for ADUs from 2018 through 2022, an average of 13.8 ADUs per year. The statewide average estimated construction cost per square foot for a site-built ADUs is between \$370-\$435 and \$327-\$385 for a prefab built ADU.

Under Program 4.2, the City will prepare and adopt a code amendment to update its ADU Ordinance to incorporate the allowances provided under State law.



3. LOCAL HOUSING PROGRAMS & RESOURCES

Resources: Housing Assistance Programs

The following programs include Federal-, State-, and locally run programs providing funding for construction, rehabilitation, or rental assistance for very low-, low-, and moderate-income households. This section describes programs utilized by the City and those that may be locally available and potentially applicable within the jurisdiction.

Federal Assistance Programs

The **Community Development Block Grant (CDBG)** Program funds a wide variety of local housing and community development projects that improve the quality of living for lower-income residents whose incomes are less than 80 percent the Area Median Incomes as established by the U.S. Department of Housing and Urban Development (HUD).

Sonoma County receives approximately \$1.8 million annually in CDBG funds. The program is administered by the Community Development Commission, and the Sonoma County Board of Supervisors makes the final decision regarding how the funds are distributed locally. The City of Sebastopol is a part of the urban county group of non-entitlement jurisdictions with funds administered by the Sonoma County Community Development Commission. The Cities & Towns Advisory Committee administers CDBG funding to participating cities. The City can apply directly to the Sonoma County Community Development Commission to obtain CDBG funds for designated projects; however, the City is not guaranteed any minimum allocation.

CDBG funds can be used for activities that meet one of the following National Objectives:

- Benefits low- and moderate- income persons;
- Aids in the prevention or elimination of blight; and
- Meets a need from having a particular urgency (e.g. disasters)
- Examples of such activities include the following:
 - Housing rehabilitation
 - Community centers and senior centers
 - Acquisition of real property for affordable housing
 - Infrastructure improvements
 - Public services
 - Accessibility modifications
 - Permanent supportive housing for people experiencing homelessness
 - Homeless shelters



Home Investment Partnerships (HOME) grants are provided by HUD to fund a

wide variety of projects that implement local housing strategies and create affordable housing for low-income households including building, buying, rehabilitating affordable housing, or providing direct rental assistance (Source: HUD). The County receives approximately \$650,000 in HOME funds annually. The City or nonprofit developers can apply to Sonoma County CDC to obtain HOME funds, which are used on a competitive basis. There is no minimum funding guaranteed to be allocated to projects in Sebastopol. The City can work with affordable housing developers to support applications for these funds that can be used for all aspects of affordable housing development (Source: SCHA).

Housing Choice Voucher Section 8 (HCV Program) is a major federal program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

To become a participant of the HCV Program, individuals and families must sign up on the Waiting List with the Sonoma County Housing Authority. This is a list of people who are waiting to receive rental assistance. Names can only be added to the Waiting List when the list is open, which is approximately every three to five years. While the list is open, 750 applications are randomly selected and assigned a place in line. Once a name reaches the top of the waiting list, the applicant is interviewed to determine whether they are eligible for the program. Most recently, the Sonoma County HCV Program Waiting List was opened to receive applications from October 1, 2021 – November 1, 2021.

If selected, participants may choose any housing that meets the Housing Quality Standards of the program. The Sonoma County Housing Authority (SCHA) pays a housing subsidy directly to the landlord, and the participant pays the difference between the actual rent charged and the amount subsidized by the program. The tenant's share of rent and utilities is generally between 30 to 40 percent of their monthly income.

Currently, 107 Healdsburg households receive Housing Choice Vouchers.

The **Emergency Shelter Grant (ESG) Program** administered by Sonoma County CDC which provides HUD funds to rehabilitate and operate emergency shelters and transitional shelters, provide essential social services, provide permanent housing solutions and prevent homelessness (Source: SCHA).

The **Federal Home Loan Bank System** facilitates Affordable Housing Programs (AHP) which subsidize the interest rates for affordable housing. The San Francisco Home Loan Bank District provides local services within California. AHP grants are awarded annually through a competitive application process to Bank members working in partnership with housing developers and community organizations. Basic eligibility requirements include having at least 20 percent of units in rental housing reserved for very low-income households and any owner-occupied housing must serve lower income households (Source: Federal Home Loan Bank of San Francisco).

HUD Section 811/202 Programs provide critical affordable housing to elderly and persons who experience disabilities. The Section 202 program funds development and operation of affordable housing for very low-income elderly households. The Section 811 program provides non-profits with



funding to develop and operate supportive housing for disabled very- and extremely-low-income persons (Source: HUD).

Low-Income Housing Preservation and Residential Home Ownership Act (LIHPRHA) requires that all eligible HUD Section 236 and Section 211(d) projects which are "at-risk" of conversion to market-rate rental housing through the mortgage prepayment option be subject to LIHPRHA incentives. The incentives include HUD subsidies which guarantee owners an eight percent annual return on equity. Owners must file a Plan of Action to obtain incentives or offer the project for sale to a) non-profit organizations, b) tenants, or c) public bodies.

Low Income Housing Tax Credits (LIHTC) provide State and Local LIHTC- allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits based on population for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

National Housing Trust Fund (NHTF) is a federal program administered in California by HCD whereby funds can be used to increase and preserve the supply of affordable housing, with an emphasis on permanent housing for extremely low-income households. Previously, NHTF funding was allocated through the Housing for a Healthy California Program. Beginning in Fiscal Year 2022, the NHTF will be aligned with federal regulations. HCD is currently in the process of developing guidelines for the 2022 allocation of NHTF funds.

Off-Farm Labor Housing Direct Loans & Grants is a federal program administered by the US Department of Agriculture Rural Development. This program provides affordable financing to develop housing for year-round and migrant or seasonal domestic farm laborers. Housing construction may be in urban or rural areas, if there is a demonstrated need for farmworkers nearby. The rental housing is for very low- to moderate-income (\$5,500 above low-income limit) farmworkers and their families (Source: USDA RD).

State Assistance Programs

Affordable Housing and Sustainable Communities Program (AHSC) is administered by the Strategic Growth Council and implemented by the Department of Housing and Community Development (HCD). The AHSC Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas emissions. The AHSC provides grants and/or loans that benefit disadvantaged communities through increasing accessibility of affordable housing, employment centers, and key destinations via low-carbon transportation. Eligible applicants for the AHSC program include localities, public housing authorities, and redevelopment successor agencies among others.

CalHome Program is administered by HCD and provides grants to local public agencies and nonprofit developers to assist individual first-time homebuyers through deferred-payment loans for down payment assistance and home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership. The CalHome Program also provides financial assistance for development of multiple-unit ownership projects (Source: HCD).



California Emergency Solutions and Housing (CESH) Program is

administered by HCD and provides grants to fund a variety of activities to assist persons experiencing or at risk of homelessness. Local governments, non-profit organizations, or designated unified funding agencies can apply for funding to use for housing relocation and stabilization services, operating subsidies for permanent housing, flexible housing subsidy funds, operating support for emergency housing interventions, and systems support for homelessness services and housing delivery systems.

California Housing Accelerator Program is a new HCD program and intends to reduce the backlog of shovel-ready housing projects that have been stuck in financial limbo. Projects which have been funded under other HCD programs and have not been able to access low-income housing tax credits are eligible for the program. Applications for funding assistance must go through a selective process, giving priority to Tier I "Multifamily Project Tracker" projects, and once selected is provided a forgivable loan. The program is funded by the Coronavirus State Fiscal Recovery Fund established by the federal American Rescue Plan of 2021.

California Housing Finance Agency (CalHFA) operates several programs to help reduce the cost of housing. These programs, funded through the sale of taxable and tax-exempt bonds, provide permanent financing of affordable housing developments, financing for homebuyers, hardship assistance, resources to increase homeownership for Black residents, and grants for the predevelopment costs associated with the construction of Accessory Dwelling Units.

Community Placement Plan (CPP) and Community Resource Development Plan (CRDP) Funds. In collaboration with the regional center, the California Department of Developmental Services uses CPP and CRDP funds to develop safe, affordable, and sustainable homes as a residential option for individuals with intellectual and developmental disabilities.

Golden State Acquisition Fund (GSAF) provides funding seeded by HCD's Affordable Housing Innovation Fund to preserve and expand quality affordable and senior housing. Combined with matching funds, GSAF makes up to five-year loans to developers for the acquisition or preservation of affordable housing. Terms for funding include development parameters that require projects to designate units to lower income households. Nonprofit and for-profit developers, cities, counties, and other public agencies within California are all eligible for GSAF financing.

Infill Infrastructure Grant Program (IIG) promotes infill development by providing financial assistance for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas. Criteria for funding include affordability, density, and access to transit. Eligible applicants for the IGG Program include nonprofit and for-profit developers of qualifying infill projects and localities with jurisdiction over qualifying infill areas among others.

Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program is administered by HCD and finances the new construction, rehabilitation, and acquisition of owner-occupied and rental units for agricultural workers, with a priority for lower income households. Eligible applicants include local government agencies, nonprofit corporations, and cooperative housing corporations among others.

Local Housing Trust Fund (LHTF) Program is funded through HCD and provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, transitional housing, and emergency shelters. Funds are also used to provide



down payment assistance for first-time homebuyers and is restricted for units with at least 55 years of affordability for households earning less than sixty percent AMI.

Mobile Home Park Rehabilitation and Resident Ownership Program (MPRROP) is administered by HCD and is used to finance the preservation of affordable mobile home parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public entities. Eligible applicants include mobile home park resident organizations, nonprofit entities, and local public agencies. Low-income residents of converted parks can apply for individual loans to the entity that has purchased the park.

Multifamily Housing Program (MHP) is administered by HCD and assists the new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households. Eligible applicants must have successfully developed at least one affordable housing project.

Predevelopment Loan Program (PDLP) provides predevelopment capital to finance the predevelopment costs of projects to construct, rehabilitate, convert, or preserve assisted housing projects with priority given to developments which are rural, located in the public transit corridors, or which preserve and acquire existing government-assisted rental housing as risk of conversion to market rates. Eligible applicants include local government agencies among others.

Project Homekey is administered by HCD and provides grants to local entities to acquire and rehabilitate a variety of housing types to sustain and expand housing for people experiencing homelessness or are at risk of experiencing homelessness and provides additional funding for wraparound supportive services. In December 2021, L&M Village, formerly known as the L&M Motel, was approved for Homekey funding, in March 2022, the County Board of Supervisors allocated additional funds to the project that will transform the 22-unit hotel into an interim housing site for Healdsburg's chronically homeless.

Section 811 Project Rental Assistance offers long-term project-based rental assistance funding from the U.S. Department of Housing and Urban Development (HUD) through a collaborative partnership among the California Housing Finance Agency (CalHFA), Department of Health Care Services (DHCS), Department of Housing and Community Development (HCD), Department of Developmental Services (DDS) and California Tax Credit Allocation Committee (TCAC).

Supportive Housing Multifamily Housing Program (SHMHP) provides low-interest loans to developers of permanent affordable rental housing that contain supportive housing units. SHMHP funds may be used for new construction or rehabilitation of a multifamily rental housing development, or conversion of a nonresidential structure to a multifamily rental housing development.

Veterans Housing and Homelessness Prevention (VHHP) Program is implemented by HCD and funds the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families to allow veterans to access and maintain housing stability. Eligible applicants include affordable housing developers who are partnered with appropriate service providers.



Local Assistance Programs

Fair Housing Advocates of Northern California (FHANC) a non-profit based in San Rafael. FHANC provides free comprehensive fair housing counseling, complaint investigation, and assistance in filing housing discrimination complaints with HUD or California Department of Fair Employment and Housing. They offer services in English and Spanish in Sonoma County (except the City of Petaluma).

Housing Land Trust of Sonoma County (HLTSC) is a private, non-profit with a mission to provide home ownership opportunities to low- and moderate-income buyers. HLTSC owns the real estate and provides access to land and housing for those otherwise priced out of the market. The land is leased to the homeowners with a 99-year, renewable lease. To ensure the homes stay affordable when sold, a formula is used to give the homeowners a fair return on their investment, while keeping the price affordable for future low- to moderate-income families. HLTSC has five developments in Healdsburg, including projects in partnership with the City of Healdsburg.

Reach for Home for Northern Sonoma County is a non-profit for northern Sonoma County. Their programs to provide opportunities and support for participants to work toward self-sufficiency, independence, and permanent housing. Their case managers help access resources and services that will help their clients make necessary changes in their lives. They assist participants who live in Windsor, Healdsburg, Cloverdale and Geyserville. Reach for Home will be service providers for Healdsburg's L&M Village a transitional housing project mentioned under the HomeKey program above.

North County Community Services is a ministry of St. Paul's Episcopal Church in Healdsburg. They run housing assistance programs for low-income residents, a transitional housing unit, and emergency overnight homeless shelter.

Resources: Homeless Shelters, Transitional Housing, and Supportive Housing

Healdsburg has projects to help address homelessness through its partnership with local non-profits.

Spare Room Emergency Shelter, administered by North County Community Services, offers emergency accommodation at St. Paul's Episcopal Church in their Parish Hall. They offer one night of shelter; priority is given to single parent families and single women.

North County Community Services also manages several low-income and transitional housing units in Healdsburg, including Victory Apartments and Victory Studios next to St. Paul's Episcopal Church.

The City is working with Healdsburg-based Reach for Home on the L&M Village project, transforming a former motel with 22 units into interim housing for Healdsburg's chronically homeless. The site will be run by Reach for Home and will provide housing and wrap-around services for 30 days with the ability to extend.

Individuals accepted into the program will receive benefits including behavioral

health and substance use treatment, counseling to begin a path towards stabilization and a higher quality of life. The project aims to start accepting residents by late 2022. ⁵

At-Risk Assisted Housing Developments

Pursuant to Government Code Section 65583, at-risk assisted housing developments refer to any existing multi-family, rental housing complexes which receive funding under public programs and are at risk of being converted from low-income housing to market rate housing within ten (10) years of the housing element planning period. The conversions can occur due to termination and opting out of programs such as rental subsidies, mortgage repayment, expiration of restricted uses or direct loans.

The City of Healdsburg contains no low-income units which are at risk of being converted to market rate units within the next decade.

Planning and Zoning Incentives

AB 2345 (2019) amended Density Bonus Law to provide developers with density bonuses or other incentives in exchange for the provision of affordable housing. As of January 2021, up to a 50% density bonus can be approved for housing projects consisting of a combination of affordable and above moderate-income homes. The legislation also reduces specific thresholds for obtaining approvals and allowances from local jurisdictions, requires density bonus reporting, and reduces parking obligations for many projects qualifying for a density bonus.

⁵ County of Sonoma 3/22/22, Press Democrat 1/25/22



4. HOUSING DEVELOPMENT CONSTRAINTS ANALYSIS

Constraints to the production of adequate housing affordable to lower-income households are created by market, governmental, infrastructure, and environmental factors, among others. Constraints can generally be divided into 'governmental constraints' - those that are controlled by Federal, State, and local governments - and 'nongovernmental constraints' - factors that are not created by and cannot be directly affected by government policy or regulations.

As demonstrated in the Sites Evaluation, the City of Healdsburg can meet its 6th Cycle RHNA obligation despite outstanding constraints that were identified in the 5th Cycle. There can be further progress made, however, and this section identifies Governmental and Non-governmental constraints that may impede the City's housing goals beyond the 6th Cycle. Analysis of these factors informed the development of programs that eliminate or reduce their negative effects on housing supply and cost. Where applicable, the relevant program references are provided.

Governmental Constraints

Governmental constraints result from City land use policies, regulations, ordinances, taxes and fees, entitlement procedures that increase development costs, and inaction or high costs for providing needed infrastructure and services to new development, thus potentially deterring development that would otherwise occur. In many instances, while perhaps constraining development by adding costs, these policies, regulations, and programs meet other important governmental purposes. For example, without impact fees that require new development to pay a proportional share of the infrastructure needed to serve new development, related service standards would fall, causing other undesirable impacts. Similarly, inclusionary housing programs, intended to support production of affordable housing, place an additional financial burden upon new market rate development. Then there are also governmental programs or regulations imposed by other levels of government, including the State of California, that local governments have no discretion over that add considerable cost and processing time to new housing development. Accordingly, the effort to reduce such constraints needs to be balanced and must recognize competing interests.

Non-Governmental Constraints

Non-governmental constraints result from factors that affect housing affordability not directly connected to government policy, programs, or regulation. Key non-governmental constraints related to housing include the cost of construction (including land prices, building materials, and labor), availability and price of construction and mortgage financing, market conditions generally including pricing, consumer preferences, demand, and competition, capacity and availability of local or regional developers and builders, and natural hazards and environmental conditions that effect costs and availability of housing.

The Housing Strategy (Chapter 2) includes new policies and programs, informed by the Constraints Analysis and other input including the community outreach efforts, to reduce or mitigate both governmental and non-governmental constraints within the broader policy context. These policies and programs are noted under each constraint topic discussed below.



Governmental Constraints

Governmental regulations and exactions are designed to achieve desirable land use patterns, coordinate development with infrastructure expansion, finance capital improvements, equitably distribute the cost of public services, maintain the ambiance of existing neighborhoods, improve the urban environment, and preserve open space and unique ecosystems. However, these policies and regulations may also limit or constrain housing development. While efforts have been made to reduce such constraints during the 5th Cycle, several notable constraints remain or need to be evaluated to determine whether they are excessive and represent an unnecessary constraint on housing production.

Voter-Approved Growth Control Initiatives

<u>Urban Growth Boundary</u>

The Healdsburg Urban Growth Boundary (UGB) was adopted by City voters in 1996 and is coterminous with the City's Sphere of Influence and Urban Service Area boundaries. It represents the allowed extent of urban uses in the Healdsburg Planning Area by the year 2030, in part because it is where sewer services are available to support multifamily housing product. The UGB promotes a compact urban form that ensures the efficient provision of services while preserving agricultural and open space outside of the boundary. The boundary can only be enlarged by a majority vote of city voters or by the City Council in order to accommodate lands to be designated for residential uses under limited conditions including for proposed development that consists of primarily low- and very low-income housing. Although the UGB contains properties outside of the current City limits that could be used for future housing development, neither annexation of these areas nor expansion of the UGB, is needed to provide adequate sites for accommodating the City's regional housing needs during this Housing Element planning period (see Section 3). Furthermore, the provisions of the UGB allow the City to provide services and utilities outside the UGB in order to permit the construction of affordable housing.

 While limitations on annexation of unincorporated territory can be and often are a constraint, the City has adequate land within its current City Limit and Sphere of Influence to accommodate new development to meet the 6th Cycle RHNA requirements and beyond.
 While large tracks of vacant land do not exist, there are a variety of opportunities to increase development capacity through higher density development, infill of existing developed areas (including the existing single-family neighborhoods) and intensifying or changing designations of existing non-residential parcels.

Growth Management Program

Measure M, a residential growth management program, was sponsored by a private citizen and approved by City voters in 2000. Measure M limited the number of building permits for new residences to an average of 30 per year and no more than 90 in any three-year period. Measure M is valid under the following provisions of SB 330 (2019) regulating growth management ordinances:

The ballot measure was approved prior to January 1, 2005.



Sonoma County is a predominantly agricultural county as defined by the California Farmland Conversion Report produced by the Department of Conservation. The County has over 550,000 acres of farmland and more than 50% of the County's total land area is agricultural.

Measure P, approved by City voters in 2018 allows the construction of an additional 50 units per year, on average, of multi-family, income-restricted housing subject to deed restriction requiring that the units be rented only to tenants earning no more than 160% of the Sonoma County Area Median Income. The GMO was further amended by Measure H in 2020 to allow the average of 50 units per year of multi-family, income-restricted rental housing, as authorized by Measure P in 2018, to be offered either for rental or for sale. Despite successful amendments, the GMO remains a constraint on housing construction in Healdsburg and, as such, will be subject to policies and programs in this Housing Element to reduce or mitigate these constraints.

The adopted procedures for this growth management program exempt housing units restricted for occupancy by very low-, low-, and moderate-income households (up to 120 percent of median income). Exemptions are also made for accessory dwelling units, homeless shelters, elderly care facilities, nursing homes, sanitariums, and community care and health care facilities including housing for people with disabilities. The growth management program can only be repealed or amended by a majority vote of city voters. Beginning in 2001, the City of Healdsburg administers this program by awarding 30 allocations per year to approved residential projects on a first-come, first-served basis. Applicants for allocations are charged a processing fee.

Under provisions of the Initiative, thirty units are set aside within each three-year cycle for projects with four or fewer units ("Category A"). Category B allocations may be reserved by projects of five or more residential units and are limited to no more than a total of 60 per three-year cycle.

While early on GMO allocation limits did not appear to limit new development, there is little doubt that the GMO had a dampening effect on housing development in Healdsburg, wherein fewer projects are being proposed simply because the GMO is in place. Relatively few larger housing developments, including market-rate multi-family projects, are being proposed in Healdsburg. This may be because the limits established under the GMO have turned away developers of multifamily projects because they would need to be phased over several years, which erodes construction cost efficiencies. Additionally, extending a larger project's timeline increases risk for the developer and makes it more challenging to obtain financing. In addition, one larger project will impact what happens elsewhere in the City, limiting what other development can happen for the duration of the project's development period.

There has been a sustained debate in the city in recent years about whether to revise the GMO, for example, to allow more infill, workforce, or market-rate development. The discourse around the growth management ordinance is partially the result of the Central Healdsburg Avenue Plan (CHAP), which established a vision for redeveloping the Central Healdsburg gateway into a vibrant high-density, mixed-used district. The high-density housing envisioned in the CHAP will be difficult to achieve under the current growth management program, as it inherently requires higher site densities to support land costs and housing typologies envisioned by the plan. Since 2015 there



have been efforts to amend and administer Measure M to reduce the constraint it imposes on new housing development. These efforts have included:

- November 8, 2016: Measure R was placed on the ballot to amend the existing growth management ordinance to increase inclusionary housing requirements on new developments and to remove existing restrictions on the number of new residential units allowed per year. This measure was defeated.
- November 6, 2018: Measure P was placed on the ballot to amend the City's growth management ordinance to allow for an additional 50 multifamily income-restricted rental units per year for tenants making no more than 160% AMI. This measure passed.
- March 3, 2020: Measure H was placed on the ballot to amend the City's growth management ordinance to allow income-restricted multi-family housing units allowed under Measure P to be offered either for rental or for sale. This measure passed.

While the GMO is, by its nature, a constraint on potential housing production, as presently configured it does not prevent the City from meeting its RHNA for this 6th Cycle Housing Element planning period. In fact, the GMO may have facilitated affordable housing construction by constraining market rate housing that would otherwise occupy or compete for the limited sites available. Going forward, with the 6th Cycle RHNA requirements along with a strong policy direction to expand moderate- and middle-income housing opportunities, the GMO as presently configured will pose a constraint. This conclusion is shared by the Housing Element Working Group members, who expressed concern that the GMO has had several unintended consequences, especially limiting housing opportunities for workforce housing for Healdsburg's middle-income residents. Community engagement universally indicated that the GMO is a constraint, with the GMO highlighted by the greater public, the Housing Element Work Group (HEWG), and housing development professionals in separate surveys. The community survey found the GMO in the top ten topics across all write-in responses, the HEWG recommended the GMO to be listed as a central contributing factor to fair housing issues (see Section 4.5), and the survey of development professionals rated the GMO as the primary constraint to development, deemed Highly Prohibitive by a supermajority of respondents. As a result of these expressed concerns, the Housing Strategy contains Housing Program 7: Removing Housing Constraints, to pursue further amendments (or repeal of) the GMO.

Land Use Policy and Regulations

Land use policy, typically expressed in the jurisdiction's General Plan and development regulations are not, inherently, a constraint on housing development. Indeed, such policy and regulations create or influence the creation of development capacity, while at the same time, may have a constraining effect depending on market conditions, the competitive supply, and demand for housing. As a result, land use policy and development regulations must be viewed in a broad context of achieving public health and safety, fiscal and financial stability, and tradeoffs between competing policy objectives, (e.g., housing development versus achieving environmental quality standards).

Healdsburg 2030 General Plan

The Healdsburg General Plan was adopted in July 2009 and last updated in January 2015 for the 5th Cycle Housing Element Update. In addition to the Housing Element, the Land Use Element of the



General Plan directly affects the location and type of housing that may be

developed. The Land Use Element's land use designations provide for a variety of housing types with the density parameters shown in **Table 9**. Minimum densities are required for most of the designations in order to maximize residential development on a limited supply of land and achieve balance and variety of housing types.



General Plan Designation	Unit Types Allowed	Density (units/acre)
Very Low Density Residential (VLR)	Single-family dwellings	up to 1
Low Density Residential (LR)	Single-family dwellings	1 - 3
Medium Density Residential (MR)	Single-family dwellings, small lot subdivisions	3 - 6
Medium High Density Residential (MHR)	Single-family dwellings, small lot subdivisions	6 - 10
High Density Residential (HR)	Single-family dwellings, multi-family dwellings, mobile home parks	10 - 20
Downtown Residential (DR)	Single-family dwellings, multi-family dwellings, small lot subdivisions	3 - 8
Transit Residential ²	Single-family dwellings, multi-family dwellings, mobile home parks	10 - 30
Office/High Density Residential (O/HR)	Single-family dwellings, multi-family dwellings	10 - 16
Mixed Use (MU)	Single-family dwellings, multi-family dwellings, mobile home parks subordinate to commercial	up to 16
Grove Street Mixed Use (GMU)	1 single-family dwelling or duplex per lot	0 - 7
Service Commercial (SC)	Single-family dwellings, multi-family dwellings, mobile home parks subordinate to commercial	10 - 16
Downtown Commercial (DC)	Single-family dwellings, multi-family dwellings	10 - 16
Industrial (I)	Multi-family - including live-work facilities, single room occupancy units and efficiency units - for owners and/or employees of on-site uses	up to 16

Table 9: Residential Uses Allowed by General Plan Land Use Designations

¹Single room occupancy units and efficiency apartments of 500 square feet or less are counted as one-half unit for purposes of calculating density

²Transit Residential is a new designation that the Council adopted in 2014.

Source: Healdsburg 2030 General Plan.



According to State law, the default density deemed appropriate for affordable housing in Healdsburg is 20 dwellings per acre. The City amended its General Plan in 2010 to increase the allowed maximum density in the HDR land use designation from 16 units per acre to 20 units per acre. In combination with the density bonuses allowed by state law, the density achieved by affordable housing projects could exceed 27 units per acre. In past or recently-constructed affordable housing projects, the City's density limitations have not posed any constraint to such housing development. The actual development densities of all affordable housing projects constructed in Healdsburg during the 5th Cycle are shown in **Table 10**. The average density across three affordable multi-family housing projects constructed in Healdsburg during the 5th Cycle are shown in Table 10. The average density across three affordable multi-family housing projects constructed in Healdsburg during the 5th Cycle is 14.5 units per acre.

Project	No. units	Net acreage	Density (du/ac)	Target Income group(s)	Year Completed
Foss Creek Villas ¹	40	3.01	13.3	Moderate	2020
Healdsburg Commons	16	0.94	17.0	Very Low, Low	2018
721-723 Center St.	8	0.45	17.8	Very Low, Low	2017
Total	64	Average	14.5		
Source: City of Healdsbu	rg.				

Table 10:	Density of Complete	ed 5th Cycle Multifamily	Affordable Housing Projects

There has been a trend over the past decade towards higher-density affordable housing projects in the City, all within the policy framework of the General Plan. The Healdsburg Zoning Ordinance allows the approval of a greater density bonus than mandated by state law.

The Citrine Apartments project is an example of such higher density development completed since 2015. The Citrine Apartments is a 37-unit, 41,048 square foot affordable housing community built adjacent to the 126-key Hotel Trio as a condition of the Hotel's entitlement requirements and to meet the affordable housing needs of the community. This project was awarded the 2019 Pacific Coast Builders Conference, "Best Affordable Housing Community 30-60 DU/Acre."

The track record demonstrated in **Table 10** indicates that the maximum density provided by the Healdsburg General Plan for the six land use designations that allow high density residential – up to 30 units per acre for Transit Residential, 20 units per acre for High Density Residential, and up to 16 for others – can readily accommodate and facilitate the construction of lower-income housing. Increasing allowable densities higher than 20 units per acre as a matter of right has not been demonstrated to be necessary and could result in increased neighborhood or community opposition to new housing projects based on traffic, infrastructure limitations, evacuation issues or environmental concerns.



A limited number of market rate multifamily units have been built in Healdsburg.

While funding assistance in terms of both provision of land and subsidies facilitated affordable housing projects for lower-income housing, there have been no similar economic incentives to build market rate housing on higher-density, residentially-zoned land. Despite adequate acreage for higher-density residential development, both the absence of funding assistance or subsidies, as well as historical market conditions favoring single-family housing development over multifamily housing development has resulted in a lack of any market rate multifamily housing development being built in recent years in any zones that allow higher densities. The allocation limitations imposed by the Growth Management Ordinance, discussed in the Non-Governmental Constraints section, are also thought to be a hindrance to multifamily housing development.

The Land Use Element includes the following provisions to promote affordable housing:

- Residential uses are promoted in mixed-use projects by exempting the residential floor area from the calculation of a project's maximum floor area ratio.
- In the mixed-use and commercial land use designations, single room occupancy units and efficiency apartments of 500 square feet or less are counted as one-half unit for purposes of calculating density.
- Small lot subdivisions for affordable housing are allowed on property designated Medium Density, Medium High Density, or Downtown Residential. The enacting provisions in the Healdsburg Zoning Ordinance allow lots as small as 2,000 square feet as well as alternative lot configurations, such as zero lot lines, angled Z lots, zipper lots, alternative-width lots, quad lots, and motor court lots.
- The Land Use Element requires the preparation of specific plans prior to development of areas outside of the city limits and within the Healdsburg Sphere of Influence. While this requirement lengthens the review and approval process for development, it is necessary to ensure that it occurs in a manner that is consistent with land use and design criteria, environmentally sensitive areas are conserved, and adequate infrastructure is provided.

While higher density development has occurred since 2015, the existing General Plan can be amended to further this trend and create additional development capacity. The Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity to complete such amendments through adoption of new area plans or specific plans to take advantage of demands for additional and higher density housing.

Healdsburg Zoning Ordinance

The Healdsburg Zoning Ordinance specifies the zoning districts in which residential development may occur and under what circumstances. Residential uses in Healdsburg are allowed in all zoning districts with the exception of Public, Open Space and Medical Office Districts, as shown on **Table 11**. In some cases, approval of a conditional use permit is required to ensure compatibility between residential and non-residential uses.



	Districts											
Residential Uses	R-1	RM	DR	ORM ¹	PR	CD	CS	GMU	MU	I	Р	0
Boarding houses	С	С	С	С	-	-	-	С	-	-	-	-
Duplex	-	-	С	-	-	-	-	Р	-	-	-	-
Employee housing for six or fewer employees	Ρ	-	Р	Р	-	-	-	Р	Р	-	-	-
Employee housing agriculture, 7-12 agricultural employees	-	-	-	-	-	-	-	С	-	-	-	-
Homeless shelters	-	-	-	-	-	-	Р	-	-	-	Р	-
Live-work facilities	-	-	-	-	-	Р	Р	-	-	С	-	-
Caretaker residences	-	-	-	-	-	-	-	-	-	С	С	-
Mobile home parks	-	С	-	С	-	-	-	-	-	-	-	-
Multi-family dwellings	-	Р	С	Р	C ²	Р	Р	-	P, C ³	-	-	-
Residential care, general	С	С	С	С	-	С	С	С	С	-	-	-
Residential care, limited	Р	Р	Р	Р	-	Р	Р	Р	Р	-	-	-
Accessory dwelling unit, one per lot	Р	Р	Р	Р	Р	Р	Р	Р	Р	-	-	Ρ
Single-family dwelling, detached	Р	-	Ρ	-	-	-	-	Р	-	-	-	Ρ
Single-family dwelling, attached	Р	-	-	-	-	-	-	-	Р	-	-	-
Single room occupancy unit	-	-	-	-	C ²	Ρ	Ρ	-	-	-	-	-
Supportive housing	Р	Р	Р	Ρ	Р	Ρ	Ρ	Р	Р	Ρ	-	-
Transitional housing	Ρ	Ρ	Ρ	Р	Р	Ρ	Ρ	Р	Р	Ρ	-	-
Work force housing	-	-	-	-	-	-	-	-	-	С	-	-
¹ Any residential use permitte ² Residential uses may be co ³ Multifamily dwellings and S	mbineo ROs lo	d with r cated c	non-res on the s	sidential u same site	uses or as a c	n the sa ommei	nme site rcial us	e. e - above				

Table 11:Residential Uses Allowed by Zoning District

⁴Residential uses as part of a mixed-use development are conditionally permitted.



As summarized above, residential uses, including supportive and transitional housing, are allowed in all zoning districts in Healdsburg, with the exception of Public, Open Space and Medical Office Districts, and, as such, does not pose a constraint to new residential development. Housing Program 4: Expanding Housing Development Capacity includes the adoption of zoning code amendments to align with statutory requirements and to specifically allow Low Barrier Navigation Centers by right and ensure that employee housing also is allowed in all zones that allow single family homes.

At the same time, the City's Zoning Ordinance seeks to preserve existing housing stock by prohibiting short-term (less than 30 days) rentals of residential units and ADUs. Short-term rentals are conditionally permitted in the Downtown Commercial (CD) district only. The City enforces rental regulations by responding to complaints but does not actively monitor advertisements. In 2014 the City increased the fine; if homeowners are found to be in violation of the ordinance prohibiting short-term rentals in residential areas, they are subject to a \$1,000 per day fine. The City of Healdsburg has 10 permitted short-term rentals which does not represent a significant constraint on available housing.

Residential Development Standards

The Zoning Ordinance prescribes, within or applicable to each of its districts, minimum standards for residential lot sizes, yards, and open space per unit, and maximum standards for lot coverage and building height (**Table 12**). These standards are typical of many California communities and contribute to the protection of public health, safety and welfare, and maintenance of the City's quality of life.

The Zoning Ordinance also provides for Planned Development and Residential Master Plan overlay zoning districts in which the development standards may be specifically tailored to the project that is proposed. Healdsburg Commons and Sonata projects have substantially reduced setbacks and private open space, as well as significantly higher lot coverage than is typically allowed for residential development. Consistent with the General Plan, the Zoning Ordinance allows small lot subdivisions for affordable housing in the R-1 and DRD districts on lots as small as 2,000 square feet and no required setbacks. These provisions were used in approving a low-income Habitat for Humanity project that created two 3,500-square foot lots from a 7,000-square foot lot.

In a survey of developer stakeholders, 75 percent of respondents indicated that "zoning and permitted uses" in Healdsburg are somewhat or highly prohibitive. Housing Program 4: Expanding Housing Development Capacity includes the preparation of a development capacity study that is intended to inform the adoption of zoning code amendments.



Zoning	Minimum	n Lot Requi	rements	N	Minimum Yards		Max. lot	Max.
District	Area	Width	Depth	Front	Side	Rear	coverage	height
R-1-3,500	3,500 sq. ft.	40 feet	None	10 feet, 20 feet garag e	Street side: 10 feet	None	50%	35 feet ¹
R-1-6,000	6,000 sq. ft.	50 feet	90 feet	20 feet		20 feet	35%	35 feet ¹
R-1- 12,500	12,500 sq. ft.	70 feet	100 feet	25 feet		25 feet	30%	35 feet
R-1- 20,000	20,000 sq. ft.	100 feet	120 feet	30 feet	1 story: 5	30 feet	25%	35 feet
R-1- 40,000	40,000 sq. ft.	150 feet	150 feet	30 feet	feet 2 stories:	30 feet	25%	35 feet
RM	6,000 sq. ft., 3,000 sq. ft./ multi-f. unit	50 feet (increas ed by 10% on corner lots)	90 feet	20 feet	10 ft. 3 stories: 15 ft. 10 feet street side corner lot	20 feet	40%	40 feet
DR	6,000 sq. ft., 4,500 sq. ft./ multi-f. unit	50 feet, (increas ed by 10% on corner lots)	90 feet	20 feet		20 feet	40% 60% for small lot subdivisio ns	35 feet ¹
	eight of 25 feet of Healdsburg,		ubdivisions			1		



Parking Standards

The Zoning Ordinance prescribes minimum parking requirements for residential uses. For single family houses and condominium (ownership) townhouses, two spaces are required per unit, one of which must be covered. For multifamily rental housing units, 1.5 parking spaces are required per unit, including one covered space. The guest parking requirement is one uncovered space per three units. Homeless shelters require one space per residential family, 0.35 spaces per bed, plus one space per maximum number of staff on site. Trailer and mobile home parks require one space per unit plus one guest space per three units. Shared use of parking facilities is allowed for mixed-use projects, which can reduce the number of overall required parking spaces. Upper floors of existing buildings in the Plaza Retail, Downtown Commercial, and Service Commercial zoning districts with ground floor commercial or office use can be changed to multi-family residential use without provision of off-street parking, provided a use permit is obtained.

The Planning Commission may modify or waive parking requirements if doing so reduces development costs or improves the design of a project. The Commission waived the covered parking requirement for the Park Land Senior Apartments, Oak Grove Apartments, Canyon Run Apartments, Eden Family Housing Apartments (20 West Grant Street) and Chiquita Grove affordable housing projects. In the case of the Eden Family Housing Apartments project, the developer voluntarily provided 1.78 parking spaces per unit, 18 more spaces than required by the Zoning Ordinance, while still offering rents affordable to extremely low- and very low-income households.

Modifications to the Zoning Ordinance parking location standards also have been approved for affordable projects. For example, tandem parking arrangements were approved for the Quarry Ridge and Grant Street Village projects, and the Habitat for Humanity project was allowed to locate required parking within the front yard setback.

The preceding projects demonstrate the City has provided flexibility regarding parking requirements. Nevertheless, Housing Program 4: Expanding Housing Development Capacity includes the adoption of zoning code amendments to align with statutory requirements related to parking requirements. For example, the covered parking requirement for any affordable project must be waived upon request of the developer under Government Code Section 65915; developers of affordable housing also get reduced parking requirements and do not have to provide guest parking.

Design Review Guidelines

The review of project site plans, elevation drawings, and landscaping plans is guided by the Citywide Design Guidelines (2018), which promotes both variation in design and compatibility with the desirable qualities of existing development. There are also specific design standards for multifamily housing intended to encourage designs that maximize common space, blend with the surrounding community, limit views of parking facilities from public streets, provide architectural compatibility of accessory buildings, and direct on-site lighting on driveways and walkways and away from adjacent properties. All of these guidelines are compatible with the typical design of recently constructed affordable housing projects. The Citywide Design Guidelines also provide guidelines for residential development that occurs in the eleven Character Areas in order to promote compatible design. The Zoning Ordinance also includes design standards for manufactured homes to ensure that they are compatible with conventionally-built residential structures in the surrounding area.



These standards do not exceed the limitations prescribed by State law and design review is not required for manufactured homes.

Housing Program #4: Expanding Housing Development Capacity includes adoption of objective design and development standards.

Regulations for Other Housing Types

Manufactured Homes/Mobile Homes

Mobile homes are considered single-family detached dwelling units when they are on a permanent foundation. This means they are allowed in the same zones as single-family housing. They may also be used as secondary dwelling units so long as they conform to all provisions relating to secondary dwelling units and to all provisions of Section 20.20.020.

Accessory Dwelling Units and Junior Accessory Dwelling Units

An Accessory Dwelling Unit (ADU) is a dwelling unit for rental or occupancy that is attached to or detached from a single-family dwelling or muti-family dwelling. Located on the same lot as a primary dwelling unit, an ADU provides complete, independent living facilities for one or more persons. ADUs are usually considered to be housing that is affordable to lower-income households because there are no land costs associated with their development and they frequently rent for less than comparably-sized apartments. They may also occupy unused space in large homes, and by supplementing the income of the homeowner, allow the elderly to remain in their homes or make it possible for lower-income families to afford homes.

The State of California has determined that ADUs are a valuable form of housing in the state for extended family members, students, the elderly, in-home health care providers, the disabled, and others. State law provides that any regulations adopted by the City to regulate ADUs cannot be so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create them.

ADUs are allowed by the Healdsburg Zoning Ordinance in all zoning districts that allow residential units. ADUs may be up to 1,200 square feet in size. The City also facilitates the development of ADUs by waiving the covered parking requirement, by not requiring that the property owner live on-site, and by allowing the units to be located in the required rear yard setback. ADUs are also exempt from the City's growth management program. The City further incentivizes ADUs by exempting ADUs less than 850 square feet in size from development impact fees, which exceeds the state requirement of 750 square feet. ADUs larger than 850 square feet are charged development impact fees based on the proportionate size of the ADU as compared to the "primary unit" and in no case will the fees exceed 50% of the fees for a new single-family or multi-family dwelling. Healdsburg has been successful in its efforts, with 69 building permits issued for ADUs from 2018 through 2022, an average of 13.8 ADUs per year, indicating that the City's updated regulations in response to State ADU laws encourage, rather than constrain, their development.

In addition to ADUs, the City of Healdsburg allows for Junior Accessory Dwelling Units (JADUs). JADUs are units which are no more than 500 square feet in size and are contained entirely within a legally existing or proposed single-family dwelling, contain an efficiency-kitchen, and include a separate entrance. A JADU may include separate sanitation facilities or may share sanitation facilities



with the primary single-family dwelling. The owner of the single-family dwelling must live on the property, in the single-family unit or the JADU.

A survey of ADUs in Healdsburg during July 2008 showed that approximately half were being rented out (the other half were occupied by relatives or guests). Of these, approximately three-quarters were rented at rates affordable to lower-income households (adjusted for household size) and one-quarter were affordable to moderate-income households. This survey is consistent with more recent regional analysis conducted by ABAG/MTC and the Terner Center, which indicates accessory dwelling units in the San Francisco Bay Area are occupied by 30% very low-income householders, 30% low-income householders, 30% moderate-income householders, and 10% market-rate householders.

Farmworker Housing

The Healdsburg Zoning Code makes zoning available to accommodate various housing types to address the needs of farmworkers. As previously discussed, manufactured homes are considered single-family homes or second units and as such are permitted in residential districts, and multi-family units are permitted in many districts. Employee housing for six or fewer employees is permitted in R-1, DR, ORM, MP, MU, and GMU districts. The Code was updated in 2018 to add the ORM, MP, and MU zones to those permitting employee housing of six or fewer employees by right and in the GMU district, which includes several agricultural support businesses, the zoning code was amended to allow for employee housing for seven to twelve agricultural employees subject to a Conditional Use Permit. Housing Program 8.5 (Provide Farmworker Housing) includes a provision to amend the City's Land Use Code, as applicable, to permit employee housing of up to 36 beds or 12 units as an agricultural use. Harvest Grove Apartments is a 44-unit affordable development specifically available to farmworkers and their families, and Quarry Ridge contains farmworker units.

Homeless Shelters

State Housing Law requires that cities allow homeless shelters by-right in at least one zone and describe the capacity within the zone(s) to accommodate the City's homeless needs. The Healdsburg Zoning Ordinance allows homeless shelters in the CS and P districts as permitted uses. Homeless shelters are defined as, "a facility for the shelter and feeding of persons who lack a fixed, regular and adequate nighttime residence for up to 30 consecutive days, where such shelter is operated by a public or non-profit agency."

The City supports the operation of a winter shelter at St. Paul's Episcopal Church that operates during inclement weather and during emergencies. Most recently, the City of Healdsburg was awarded \$7.2 million through the Project Homekey program to acquire a 22-unit motel for the purposes of interim housing for those experiencing chronic homelessness. This shelter will be in operation beginning in November of 2022 and will provide case-managed services to clients and referrals to permanent housing.

Transitional Housing/Supportive Housing

State law provides that the City must treat proposals for supportive housing for target populations (such as those with mental disabilities, substance abuse, and chronic health conditions) and transitional housing for the homeless in the same manner as other residential uses allowed in the



same zone. In July 2014, the City approved new definitions of both transitional and supportive housing; the City is in compliance with State law. The definitions read as such:

Transitional housing is "rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing units are residential uses subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone."

Supportive housing is "housing with no limits on length of stay that is occupied by the target population (as defined in California Government Code Section 65582) and that is linked to on- or off-site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Supportive housing units are residential uses subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone."

The Healdsburg Zoning Ordinance was amended to add transitional and supportive housing as a permitted use in all zones where residential uses are allowed including, R-1, RM, DR, ORM, MU, GMU, CD, CS, PR, and I, as shown in **Table 11**.

Single Room Occupancy (SRO)

Single Room Occupancy (SRO) residences are small, one-room units occupied by a single individual, and may either have a shared or private kitchen and bathroom facilities. SROs are rented on a monthly basis, typically without a rental deposit, and can provide an entry point into the housing market for extremely low-income individuals, formerly homeless, and disabled persons.

Single-room occupancy units are allowed in the CD and CS districts by right; however, the units must be located on the same site as a commercial use. Single-room occupancy units are conditionally permitted in the PR district if located on the same site as a commercial use and above the ground floor. While SROs need to be developed with a commercial space, if the commercial becomes vacant, the SRO or any other residential component would not be precluded from continuing to operate.

Article 34 Authority (Affordable Housing)

Article 34 of the California Constitution requires that when the City develops, constructs, or acquires a rental housing project targeted towards lower-income households, its qualified electors must approve the project by a majority. This requirement can pose a constraint to the production of affordable housing, since the process to seek ballot approval for affordable housing projects can be costly and time consuming, with no guarantee of success.

The provisions of Article 34 allow local jurisdictions to seek voter approval for "general authority" to develop low-income housing without identifying specific projects or sites. If the electorate approves general parameters for certain types of affordable housing development, the local jurisdiction will be able to move more quickly in response to housing opportunities that fall within those parameters.

There has been no vote taken for such action to date in the City of Healdsburg. However, by partnering with non-profit and for-profit developers that have used federal and state funding to



construct hundreds of affordable housing units, the lack of Article 34 authority has not proved to be a hindrance to the City.

Density Bonus Provisions and Related Affordable Housing Incentives

State law requires the City to adopt an ordinance that specifies the method of providing density bonuses and other incentives for the development of affordable and senior housing units. The City complies with the provisions of State density bonus law. Zoning Ordinance Section 20.20.035 provides the procedures and standards for granting a density bonus. Request for density bonus does not require any additional application fee or process and does not add review time.

As noted in the Housing Strategy there is the need to update and amend the City's Density Bonus Ordinance to bring it into conformance with recent amendments to the State law and also current practice and other policy objectives including incentives for increasing moderate and middle income housing units.

While amendments and procedural improvements have been made since 2015, the Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity that specifies further amendments to the City's Zoning Ordinance. These amendments will include increases in maximum densities within districts allowing housing, further amendments to development standards, and an update to the Density Bonus Ordinance.

Development Review and Approval Procedures

Developers must take several steps to secure all necessary entitlements and permits to build housing on a given parcel of land. From the standpoint of the City, this process is necessary to ensure that new development adequately complies with local regulations that are meant to ensure the health, safety, and welfare of the entire community. From the developer's standpoint, this process can complicate and lengthen the development process, increasing the difficulty and cost to develop new housing; as such, it will be necessary to conduct further evaluation and to seek additional means to streamline the review process. Housing Program 5.6 (Facilitate Streamlined Development) establishes procedures to create standardized applications for developments filed under various State streamlining laws. The following is a brief description of the process to obtain entitlements to construct housing on vacant land in Healdsburg, as shown in **Table 13**.



Table 13:	Timelines & Fees for Permit P	Processing and Decision-	Making Authority
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ermit Type	Processing Time	Cost		Approval Authority	
Annexation/Prezone	12 - 18 Months	\$	12,335	PC & CC	
Conditional Use Permit (Major)	4 - 6 Months	\$	3,725	PC	
Conditional Use Permit (Minor)	2 - 3 Months	\$	2,820	Director	
Lot Line Adjustment/Merger	3 Months	\$	2,576	Director	
Design Review (Major)	4 - 6 Months	\$	7,627	PC	
Design Review (Minor)	2 - 3 Months	\$	2,962	Director	
Variance (Major)	4 - 6 Months	\$	3,157	PC	
Variance (Minor)	2 - 3 Months	\$	2,578	Director	
Tentative Map (Major) (5 or more lots)	6 Months	\$	7,319	PC & CC	
Tentative Map (Minor) (4 or less lots)	4 Months	\$	6,132	PC & CC	
Tentative Map (SB 9)	50 Days	\$	3,775	Director	
Final Map (Major) (5 or more lots)	6 Months	\$	19,891	СС	
Final Map (Minor) (4 or less lots)	6 Months	\$	10,634	СС	
Final Map (SB 9)	3 Months	\$	7,648	Director	
Growth Management Allocation Permit*	None - issued at Building Permit	\$	946	Director	
General Plan Amendment: Land Use Diagram	4 - 6 Months	\$	5,153	PC & CC	
General Plan Amendment: Text	4 - 6 Months	\$	6,396	PC & CC	
Land Use Code (Zoning) Amendment: Map	4 - 6 Months	\$	5,797	PC & CC	
Land Use Code (Zoning) Amendment: Text	4 - 6 Months	\$	5,797	PC & CC	
Specific Plan	18 Months		Varies	PC & CC	



Permit and processing requirements vary by zoning district and residential use

type and are summarized in **Table 14**. Multifamily developments have lower fees per unit than single-family units or subdivisions, which facilitates the development of higher density housing and does not pose a constraint to development. The total processing time is short for all residential development, at about 6-8 months (**Table 14**).

	Single-Family Unit	Multifamily Development	Subdivision
			Planning Permit Application
		Planning Permit	Tentative map
		Application	Final Map
		Major Design Review	Major Design Review
Application, Permit, and		CEQA (IS/MND)	CEQA (IS/MND)
Review Types	Building Permit	Building Permit	Building Permits
Estimated Total		6-8 months for planning approvals	6-8 months for planning approvals
Processing Time	15 working days	Typically 15 working days for initial submittal	Typically 15 working days for initial submittal
			\$7,318.74 Tentative Parcel Map
		\$7,626.66 Design Review	\$7,626.66 Design Review
		\$40,000-\$50,000 CEQA (if required)	\$19,891.30 Final Map
	\$39,273 - Development impact fees	\$26,235 - impact fees per unit	\$40,000-\$50,000 CEQA (if required)
Estimated Fees	\$22,150 - Building permit fees	\$54,000 - Building Permit fees	\$39,273 in impact fees per unit
Estimated Total Fee Range	\$61,423	\$28,209-\$28,789 per unit	\$40,769-\$40,969 per unit

Table 14:Typical Processing Procedures by Project Type

Assumed Project Details:

Single-Family unit Assumes a 4-bedroom, 2 bath single-family detached home of 2,000 square feet on a 6,000-square foot lot valued at \$1.27 million (median home price as of June 2022 as reported by Redfin), and is not in Character Area 1 or a Historic District

Multifamily development contains 50 units, 800 square feet each.

Subdivision containts 50 single family units.



Subdivision Approval

The subdivision approval process in Healdsburg includes the filing of an application, payment of a deposit for application processing, staff review for completeness, and public hearings before the Planning Commission and City Council. The Planning Commission action is advisory to the City Council, which has final authority over subdivisions. Depending on the size of the subdivision and specific site development issues, varying levels of environmental review are also required. Small subdivisions are generally exempt from the CEQA process under an infill development exemption; larger subdivisions typically require an initial study and negative declaration or environmental impact report. For projects processed with a mitigated negative declaration, a typical small lot subdivision takes about six to eight months' processing time from complete application to approval.

General Plan Amendment and/or Rezoning

It is often the case that an amendment to the General Plan and/or a rezoning is necessary to achieve the objectives of the developer. Such applications are fully discretionary, requiring approval by the Planning Commission and City Council.

Design Review for Residential Units and Projects

Chapter 20.28 Article IV of the Zoning Ordinance includes requirements and procedures for the design review of new development. Design review is not required for residential projects involving only one unit, with the exception of single-family dwellings in certain specific areas as noted below. The Planning and Building Department Director is empowered to grant minor design review approval for the following types of residential development applications:

- Construction of or an expansion greater than 500 square feet to a one-family dwelling on a site uphill and visible from a scenic highway or road, or located within a scenic ridgeline corridor designated by the General Plan as determined by the Planning and Building Director.
- Construction of one single-family dwelling within the Grove Street Neighborhood Plan.
- Construction of new single-family dwellings where design review is required as a condition of approval of subdivision maps.
- Within Character Area 1 (as identified in the Citywide Design Guidelines Chapter 4), construction of one single-family dwelling or a new second story addition, or significant change to the primary façade. A significant change to a primary façade is one that results in a substantive change to the appearance of the front of the building that is visible from the street. This could include enclosure of a front porch, removal of windows(s), demolition of some or all of the primary façade, an addition to the primary façade, a change in roof from or other similar alterations that fundamentally change the appearance of the primary façade.

The Planning Commission conducts major design review for the following types of residential development applications:



- Commercial, industrial, office, and residential projects (two or more residential units per site) which involve the development of vacant land with site and building improvements or involving major changes or additions to a previously developed site.
- Applications involving a change of use that requires substantial changes to the site and proposals for exterior building modifications.
- Projects subject to development approval by the Planning Commission, such as subdivisions, use permits and projects requiring the approval of variances, that also include a design review permit.

In July 2022 Minor Design Review applications cost \$2,962 and Major Design Review applications cost \$7,319. Potential applicants are encouraged to submit their preliminary plans for review by City department representatives and/or the Planning Commission in advance of a formal submittal. The City offers a "one-stop" where potential applicants can receive feedback/comments on proposed projects from each department (e.g., PW, fire, building, planning, electric). One-stop appointments are offered every Thursday afternoon at no charge.

Applicants with large and complex development applications may schedule a Planning Commission Workshop to have an early dialogue with the Commission about project vision, concepts, and any challenges with the existing land use code. These workshops provide an opportunity for early feedback on a project from the Commission and the public prior to preparing a full application. The cost of a Planning Commission workshop is \$3,566. This early dialog with the Planning Commission and public helps identify issues early in the process, prior to formal submittal, and often results in a quicker process and projects which have a workshop prior to a hearing are rarely continued. The design review process often results in an improved design that benefits both future project residents as well as neighbors. The Commission must make several general findings in approving a design review application:

- The proposed development or use is consistent with all applicable policies and requirements of the General Plan and Zoning Ordinance.
- The proposed design of the development or use, and all appurtenant structures, is consistent with the policies set forth in the Citywide Design Guidelines, as may be amended from time to time.
- The proposed development or use is consistent with the purposes of the zoning district in which it is located.
- The proposed development or use is consistent with all other conditions imposed by the Planning Commission or City Council with respect to any matter related to the purpose of design review.
- For proposed development or uses in the Central Healdsburg Avenue Plan area, the design of the development or use, and all appurtenant structures, is consistent with the policies set forth in Chapter IV, "Building Design Framework," of the Central Healdsburg Avenue Plan



dated November 2013 and adopted by the Healdsburg City Council on January 21, 2014, as may be amended from time to time.

For proposed developments or uses in the North Entry Area Plan overlay, the design of the development or use, and all appurtenant structures, is consistent with the goals, policies, objectives and design guidelines set forth in the North Entry Area Plan, as adopted by the Healdsburg City Council on May 20, 2019, as may be amended from time to time.

The design review approval process for a complete submittal that does not require additional environmental review is typically completed within four to eight weeks.

Conditional Use Permits

Many uses require a conditional use permit, including multifamily housing projects in the DR District. They are subject to the approval of a conditional use permit by the Planning Commission. Chapter 20.28, Article V in the Zoning Ordinance prescribes the procedures for obtaining a conditional use permit. Briefly, these procedures include submittal of a complete application (planning permit application form, application fees ranging from \$1,202 to \$3,725, site photographs, a written statement, a site plan, an area plan, and a floor plan) followed by a public hearing before the Planning Commission. Upon receipt of a complete application, action is generally taken on major use permits in four to eight weeks. The Commission must make a few broad findings in approving a conditional use permit application:

- The proposed location and operation of the conditional use is in accord with the Healdsburg General Plan, objectives of the Zoning Ordinance, and the purposes of the district in which the site is located.
- The proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
- The proposed conditional use will comply with each of the applicable provisions of the Zoning Ordinance.

While improvements to development review procedures have occurred since 2015, the Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity that specify further improvements focused on reducing discretionary uncertainties, the time required, and costs of obtaining desired entitlements. These amendments will include increases in maximum densities within districts allowing housing, further amendments to development standards, and an update to the Density Bonus Ordinance.

California Environmental Quality Act

Most, if not all development projects requiring discretionary review require environmental review findings pursuant to the California Environmental Quality Act (CEQA). This is partly the result of substantial distortion in the original intent of CEQA from an 'informational document' to reduce impacts and improve the environmental affect to a vehicle of community or interest group opposition that renders projects infeasible or stops them outright thus replacing broad-based



planning and development policy with costly and time-consuming project-by-

project review. Over the years efforts have been made at the State level to reduce the constraint on housing development imposed by CEQA, the current law continues to regularly make it difficult for local jurisdictions to approve housing development that is otherwise fully consistent with their respective general plans, zoning, and other development policy.

While CEQA reform is the responsibility of the State, the Housing Strategy includes policy and programs that specify procedures that can limit the constraining effects of project-by-project CEQA review.

Building and Other Construction Permits

A permit is required before construction of, alteration to, addition to, or demolition of any structure within the jurisdiction of the City of Healdsburg. It is probable that alterations changing the exterior appearance of commercial buildings, multi-family dwellings, and certain other structures, will need Design Review approval by the Planning Department or the Planning Commission before commencement of any such alterations.

Upon submittal of a complete set of plans, a typical single-family plan check is conducted and a building permit is issued within approximately two to four weeks, and about four to six weeks for a typical multifamily plan check. The City contracts with a consultant for more complex plan checks in order to expedite their review; however, such plan checks are done on a time and materials basis to minimize the cost.

Adopted Building Codes

The City has adopted the 2022 editions of the California Building Code, California Residential Code, California Green Building Standards Code, California Fire Code, California Electrical Code, California Plumbing Code, and the California Mechanical Code. In 2019 the City adopted a Reach Code requiring electric space and water heating in new buildings.

The City has amended these codes in a few instances when necessary to protect the health, safety, and welfare of its residents. For example, the Healdsburg Building Code includes additional requirements for concrete slab floors to mitigate local expansive soil conditions. Lighted address numbers are required to improve identification of homes by emergency personnel. Smoke detectors are required in single-family homes and automatic fire alarm systems must be provided in multi-family complexes, apartment complexes, and condominium complexes. Automatic fire suppression systems must be installed in new residential structures and substantially remodeled dwelling units. While these measures result in higher initial housing costs, they are offset over the long run by savings on homeowner's insurance and property damage.

California Green Building Standards (CALGreen)

The City of Healdsburg was an early adopter of sustainability. In November 2008, the City adopted a framework for implementation of the Healdsburg Green City Program to promote environmentally sound practices, develop green and sustainable alternatives, and reduce greenhouse gas emissions. The City had to demonstrate in the 2002 Housing Element that this program did not constrain development, because it was a local standard.



In 2010, the State of California Building Standards Commission published and

mandated CALGreen, which the City has adopted, with local amendments, in place of the city's prior Green Building Ordinance. The 2013 California Green Building Standards Code ("CALGreen") became effective throughout the state on January 1, 2014. CALGreen creates uniform regulations for new residential and non-residential California buildings that are intended to reduce construction waste, make buildings more efficient in the use of materials and energy, and reduce environmental impacts during and after construction.

Largely due to evolving State building standards and related law and requirements that add considerable cost to housing construction, the building permit process continues to increase development cost, complexity and duration, especially when the circumstances of individual projects warrant extra consideration on the part of staff and officials needed to meet established standards and codes. The Housing Strategy contains Housing Program 9: Environmental Quality and Conservation to address these concerns.

<u>Code Enforcement</u>

Code enforcement is generally undertaken in response to a complaint filed with the City. This effort serves to maintain the conditions of the city's housing stock and does not constrain the production or improvement of housing in the city. The Healdsburg Municipal Code also establishes standards for the maintenance of properties regarding the accumulation of trash and debris, overgrown vegetation, and abandoned vehicles and equipment in order to protect property values.

There is no wrong door at the City of Healdsburg when residents report substandard housing, units that need replacement, or have code violations. Complaints received are sent to the appropriate City Department to address, and if these complaints are related to housing units, the City's Housing Department, Code Enforcement, and the City's Building Official form a task force to address the issue. If these are units that are under an agreement with the City, the City's Housing Department will enforce the provisions of the agreement. If they are private residences, the City's Code Enforcement Officer will respond to the violations and the City's Housing Department will assist the tenant with resources or referrals to organizations such as Legal Aid of Sonoma County. The goal of these interactions is to resolve the issue without the need for relocation, unless desired or necessary.

During the 5th Cycle, the City responded to multiple complaints on an affordable housing multifamily apartment building that needed repairs that were directly affecting the tenants' quality of life. In this event, the City contacted the owner of the property and developed a workplan to address the violations. These violations were corrected and verified by the Building Official. In addition, once repairs are completed, the City's Housing Department follows up with the tenants and increases onsite visits to ensure continued compliance.

In addition, the City works with non-profit partners, such as Corazón Healdsburg, who conduct bilingual outreach to provide tenants a safe place to make landlord complaints, learn their rights as tenants, and to facilitate repairs with an advocate to assist them.

On- and Off-Site Improvements

For minor residential streets, the Circulation Plan of the Healdsburg General Plan calls for a 50-foot wide section that provides two travel lanes with parking lanes, curbs and gutters, sidewalks and



utility easements on either side. This design is intended to adequately

accommodate traffic, parking, pedestrians, and drainage. These standards may be modified if warranted by individual circumstances, and therefore are not a constraint on development.

Additional requirements in the City's development standards include the planting of street trees and, in some cases, the installation of utility lines underground. These amenities greatly enhance the appearance of residential neighborhoods, thereby adding to the value of homes.

The City also routinely reimburses residential developers who construct off-site improvements, using development impact fees that have been collected from other development (see discussion in following section), or by establishing a reimbursement fund that subsequent developers in the area pay into.

Development Impact Fees and Project-Specific Exactions

The City assesses a range of utility capacity/connection charges and development impact fees on development projects to pay for the system capacities and services required to serve the development. In accordance with California Government Code Section 66001(a) the Mitigation Fee Act, City must do all of the following for any fee that is established, imposed or increased:

- Identify the purpose of the fee;
- Identify the use to which the fee is to be put;
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed;
- Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed; and
- Determine that there is a "reasonable relationship" between the specific amount of the fee imposed as a condition of approval on a particular development project, and the cost of the public facility attributable to that project.

Typical development fees for residential units are summarized in **Table 15**.



Type of Fee	Fee for Single-family Unit ¹	Fee for Multifamily Unit ²
Water System	\$7,376	\$4,424
Sewer System	\$12,233	\$11,009
Streets & Traffic Controls	\$4,489	\$2,992
Park System	\$2,057	\$2,057
Storm Drain System	\$6,010	\$2,404
School District Fees	\$5,940 ⁴	\$2,3764
Fire System Development Impact	\$193	\$193
Electrical Development Fees	\$975 ⁵	\$780⁵
Total	\$39,273	\$26,235

Table 15:Typical Development Impact Fees per Unit

¹ Assumes a 4-bedroom, 2 bath single-family detached home of 2,000 square feet on a 6,000-square foot lot valued at \$1.27 million (median home price as of June 2022 as reported by Redfin).

² Assumes a 20-unit multifamily development, with units of 800 square feet.

⁴ \$2.97 per sq-ft or \$5.25 per sq-ft (properties within Area A)

⁵ Electrical development fees for single-family are \$975 per unit up to 125 amps, \$1,473 per unit up to 200 amps, and \$2,975 per unit up to 400 amps. For multifamily, fees are \$975 per unit for 2-8 units, \$780 per unit for 9-50 units.

Source: City of Healdsburg, January 2022.

As shown in **Table 15** standard single-family dwelling unit (four bedrooms, two baths, 2,000 square feet) would cost an estimated \$39,273 in development impact fees. Development impact fees for a multifamily development with twenty 800-square-foot units would be an estimated \$26,235 per unit. In addition to the fees shown in the table, developers of small-scale (i.e., four or fewer) market-rate housing that is subject to the City's inclusionary requirement have an option to pay the in-lieu affordable housing fee. Fees are based on square footage and can range from \$24,349 for a 1,300 square foot unit to \$46,825 for any unit more than 2,500 square feet. Units less than 850 square feet in a project with four or fewer units are exempt from the inclusionary requirement. Units between 851 square feet and 1,200 square feet pay a fee 50% of the \$18.73 per square foot rate. The 2,000-square foot home described above would be required to pay an inclusionary in lieu fee of \$37,460, which would make the total fees \$76,733, or about 6 percent of total home price, based on the current median home value.

While this percentage is well within industry-accepted standards, it would be proportionally more for lower-cost housing, which is something the City will explore as it updates its fee programs (Housing Program 7: Removing Housing Constraints) and monitors its inclusionary housing program (Housing Program 5: Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households).



As aggregate development impact fees, connection charges, inclusionary

requirements, and project-specific mitigation exactions constitute a substantial cost for new development and can constrain the ability to achieve affordable housing requirements, the Housing Strategy contains Housing Program 7: Remove Housing Constraints to review and amend current ordinances needed to balance the needs for infrastructure with achieving housing production objectives. Additionally, recent amendments to the Mitigation Fee Act through AB 602 require a range of new limitations and standards for imposition of development impact fees. Program 7.1 (Update and Reform Development Impact Fees and Charges) includes provisions to ensure City fees are consistent with AB 602 (2021) and that transparent development impact fee schedules are made available on the City's website.

Infrastructure Capacity

The City operates sewer, water supply, drainage, and electric utilities and maintains and builds transportation infrastructure. A review of these systems has been conducted as a part of this analysis and it had been determined that adequate capacity exists to accommodate housing development in the City at the scale required by the RHNA, which is estimated to result in an additional 1,500 residents in the City over the next 8 years. As a part of ongoing improvements and sustaining capacity, the City is also undertaking major improvements to conserve and expand water supply, save and produce electrical energy, and to promote non-private motorized vehicle transportation.

Utility Charges

In addition to a mortgage or rent payment, housing costs usually include payment for utilities. The City provides water, sewer service, storm drainage and electrical service which add to housing costs. Currently, the City discounts its monthly electric and sewer utility charges to lower-income households and tenants of affordable residential projects The electric discount is 25% discount, and water and sewer charges are discounted by 15% and 20% respectively.

City Inclusionary Housing Program

The City's inclusionary housing requirement is a critical component of the City's housing program and an active means of providing affordable units to households typically shut out of the housing market. Developers of residential projects with five or more units are required to rent or sell 20 percent of the units at prices or rents affordable to lower-, moderate-, and middle-income households. For ownership projects, the 20 percent inclusionary requirement is composed of 15 percent affordable to moderate-income households and five percent affordable to middle-income households. For rental projects, the 20 percent inclusionary requirement is composed of five percent affordable to low-income households and 15 percent affordable to moderate-income households. Alternative methods of compliance (e.g., in-lieu land dedications, off-site construction of units, conversion of market rate units to affordable units, construction of ADUs). If the project is four or fewer units, the developer can decide to fulfill the inclusionary requirement through the payment of in-lieu fees, the dedication of land, or another equivalent method. As previously stated, units less than 850 square feet are exempt from the fee.

The inclusionary requirement is intended to offset the negative effects of new market-rate housing on the provision of non-market rate housing. The inclusionary program is also intended to promote the economic integration of lower- and moderate-income households in neighborhoods and the



dispersion of such units throughout the city. The construction of above-

moderate income housing depletes the amount of available residential land, while contributing to rising land prices because of a greater scarcity of developable sites. Market-rate housing development also exacerbates the affordable housing problem by creating greater needs for goods and services typically provided by low-income employees.

There has been extensive debate over the question of who bears the cost of an inclusionary requirement. Depending on the relative strength of the housing market, costs may be incurred by:

- Landowners, who may receive a lower price for their land if developers are expecting a lower profit margin from the inclusionary requirement
- Developers, who may have to accept lower profits, if the market will not absorb higher housing prices.
- The purchasers of market-rate units, who may have to pay higher housing prices if the local and regional housing supply is limited and prices are at least as high in areas outside the city.
- In a strong housing market, it is possible that all three groups will share the costs of the inclusionary housing requirement.

By limiting the inclusionary requirement to 20 percent of a project's units and providing alternative means of compliance, such as land dedication, in-lieu fees, and other equivalent means, the program is not seen as an undue or onerous constraint on the provision of market-rate housing. Additionally, the City has adjusted the program over time to facilitate its use, maximize its effectiveness, and respond to changing market conditions. Furthermore, fulfillment of the inclusionary housing requirements often help qualify a project for the state density bonus, which helps to offset the subsidy needed for the affordable prices or rents.

Constraints to Housing for Persons with Disabilities

Land Use Policies and Practices

Americans with Disabilities Act (ADA) provisions include requirements for a minimum percentage of units in new multi-family developments to be fully accessible to the physically disabled. Enforcement of ADA requirements is not at the discretion of the City but is mandated under federal law. The provisions of the ADA applicable to residential uses apply to multifamily developments and provide minimum standards that must be followed to ensure the development of safe and accessible housing.

The Land Use Code defines family as "an individual or two or more persons living together in a dwelling unit as a single housekeeping unit and in compliance with the provisions of the California Uniform Housing Code." This broad definition of family complies with fair housing laws and does not pose a constraint to housing for persons with disabilities.

The City will promote Universal Design guidelines under Program 8.9 and enforce Building Code requirements for accessible housing under Program 8.2.



Reasonable Accommodations

The City of Healdsburg has an established Reasonable Accommodation ordinance to establish a formal procedure for an individual with a disability seeking equal access to housing. This law provides a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act. Any person with a disability, their representative developer, or provider of housing for people with disabilities can make a request. A reasonable accommodation request may include a modification or exception to the rules, standards, and practices for the siting, development, and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to the housing of their choice.

In order to receive an accommodation, an applicant must submit a written request on a form provided by the planning and building department. Once the application is deemed complete, the planning and building director issues a written determination to either grant, grant with modifications, or deny a request for reasonable accommodation within 45 days, based on the following findings:

- The housing that is the subject of the request for reasonable accommodation will be used by an individual with a disability protected under the Acts;
- The requested accommodation is necessary to make housing available to an individual with a disability protected under the Acts;
- The requested accommodation would not impose an undue financial or administrative burden on the City; and
- The requested accommodation would not require a fundamental alteration in the nature of the City's land use policies and development standards.

There is no fee to apply for a reasonable accommodation. In order to reduce constraints to housing for persons with disabilities, the City will make its reasonable accommodation form available and easily accessible on its website under Program 8.11 (Provide Incentives for Disabled Access).

Allowances for Residential Care Facilities

Residential care facilities for 6 or fewer individuals are permitted in all residential and mixed use zoning districts, as well as the CS and CD districts. Residential care facilities for 7 or more individuals are allowed in the same zones, subject to a conditional use permit. Residential care facilities are subject only to the same development standards as other residential uses of the same type in the same zone.

To address potential constraints, the City will amend its Land Use Code to allow residential care facilities for 7 or more individuals by right, subject to only objective, transparent criteria, under Program 4.2 (Adopt Development Code Updates).

Nongovernmental Constraints

Nongovernmental constraints are those that are not created by local governments but may be lessened or worsened through their actions.



Market Competition for Existing Housing

In recent years there has been an increasing transition of resident occupied housing in California, to non-residential visitor-serving uses, including conversions to second homes, vacation rentals, and most recently, time share/interval ownership uses driven by Internet-based rental platforms and a strong second home market. While pervasive, the trend is most evident in communities exemplified by Healdsburg, with high visitor appeal and nearby destination-oriented attractions. US Census data reflects this increasing level of unoccupied residences as a measure of this transition. In many of the communities thus affected public opinion reflects strong community concern related to the shift of homes once available to working families to second homes, vacation rentals, or unoccupied investment properties. There are three constraining effects arising from conversion of homes to visitor-serving units:

- By replacing resident-occupied homes with visitor units limited housing stock is taken away from our communities at a time when we need more housing, not less.
- Such uses drive up prices for the housing stock that remains, making already-expensive land and housing even more expensive driving up housing costs and displacing rural and agricultural uses.
- By replacing residents of a community with short-term visitors, nuisances for long-term residents are routinely created and the reduced resident population adversely affects schools, volunteerism, and overall community vitality.

Recognizing these impacts and building on existing City efforts, the Housing Strategy contains Housing Program 2: Preserving Existing Housing and Neighborhoods to reduce the loss of housing stock to visitor-serving uses.

Construction Costs

During the past decade, construction costs increased steadily, with sharper increases seen in more recent years, and 75 percent of developer stakeholders who responded to the Developer Survey indicated that the cost of construction materials is somewhat or highly prohibitive. Marshall & Swift, a reputable building cost estimation service, lists the July 2022 hard construction cost for a standard, four-story wrap multifamily residential structure in the City of Healdsburg at \$388 per square foot. **Figure 1** shows historical cost indices from Engineering News Record (ENR), both nationwide averages and for San Francisco (the closest city for which these indices are produced). ENR's Construction Cost Index (CCI) provides an estimate that accounts for changes in key construction materials (steel, cement, and lumber) and utilizes union wages for common laborers.

Housing prices are influenced partly by the types of construction materials used. Homes in Healdsburg are generally of wood frame construction and finished with stucco or wood siding. This type of construction is the least expensive conventional method (brick, stone and concrete block are more costly). Composition shingle and built-up roofs, which are found on a large share of the community's homes, are also the least expensive, followed by wood shingle, wood shake, concrete tile, metal tile, and clay tile.



ENR's Materials Price Index isolates just the materials component, tracking the

weighted price movement of steel, cement, and lumber. From 2012 through 2019, these three indices averaged about a three percent increase each year. From 2020 to 2022, the Materials Price Index skyrocketed by over 67 percent, while the CCI jumped by 22 percent nationwide and 33 percent in San Francisco. The surging cost of materials relative to overall construction costs in the past two years, is increasing the overall cost of construction. The Northern California region (using San Francisco as a proxy) has experienced greater cost increases than the nationwide average, putting further strain on project feasibility in the area.

The City can minimize construction costs by not requiring more costly kinds of building materials on residences, such as clay tile roofs. However, there is little within the City's power to affect the availability and cost of skilled labor.

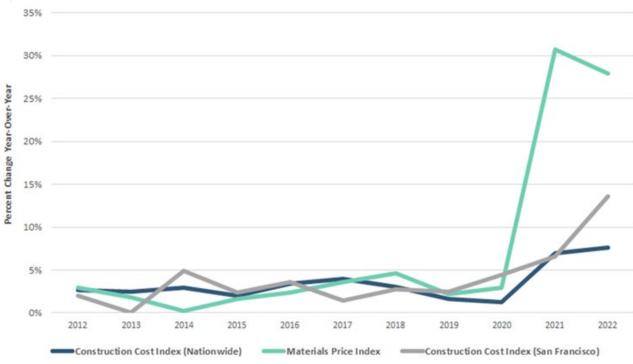


Figure 1: Year-over-Year Growth in Historical Cost Indices

Source: Engineering News Record (ENR); Economic & Planning Systems

Land Costs

Approximately 25 percent of housing costs are attributable to land costs in most real estate markets. A major component of this cost is land speculation. Land costs are also affected by such factors as zoning requirements, allowable density, the availability of infrastructure, the existence or absence of environmental constraints, and the relative amount of similar land available for development.

National trends indicate increases in residential land prices are far outpacing prices for any other land use. Between 2020 and 2021, residential land prices increased 10 percent, which is the highest reported year-



over-year increase of any land type since at least 2014.⁶ Increases in residential land prices raise the cost of housing, further deterring housing development.

Redfin data reports 25 land sales in the City of Healdsburg during the last three years, with an average sales price of \$845,000 per acre and a median sales price of \$2.7 million per acre. If observed national land value trends continue, increases in land costs and subsequent increases in housing costs will continue to increase in Healdsburg along with the rest of the region, diminishing development feasibility and hindering housing production. The land cost per developed unit can be lowered through the development of higher-density housing.

Development and Construction Financing

Overall, construction financing historically represents a small contribution to total housing costs, relative to land acquisition and direct construction costs. However, the rapid increases in construction costs along with inflation pressures, generally, are pushing development pro formas and development and construction financing are facing challenges. Financing costs are affected partly by how early in the development process loans must be taken out and how long the loans must be carried. Project delays can increase total interest payments, as well as create greater financial risk for a project.

Construction financing for higher-density infill projects is generally harder to obtain than for conventional single-family construction. According to the Multifamily Market Survey produced by the National Association of Home Builders, confidence in multifamily housing weakened in the first quarter of 2022 amid concerns of high construction costs and inflation.⁷

Home/Mortgage Financing

Interest rates are up compared with the past several years, but still relatively low when viewed over the long term. The average rate on a 30-year fixed mortgage is around 5.7 percent as of July 2022, up from approximately 3.5 percent earlier this year but still lower than 8.1 percent in 2000. Besides raising monthly interest payments for new buyers, higher interest rates affect existing homeowners' ability to refinance their homes.

Mortgage credit is the most difficult to obtain for first-time buyers and tighter lending standards also hinder the ability of households at the low and middle tiers to move up. The ability to accumulate a down payment remains a formidable barrier to many potential homebuyers. Low-income households find it difficult to make the transition from rental to ownership units because they cannot accumulate a down payment while renting. Further information on FDIC-regulated institutions within the City is detailed in **Table 26**.

The City of Healdsburg continues to partner with the Housing Land Trust of Sonoma County (HLTSC) to provide affordable homeownership opportunities through the Housing Land Trust Model. During this past planning period, the City and HLTSC were able to provide homeownership opportunities through inclusionary housing units in the Chiquita Grove and Arden subdivisions and continued to preserve the affordability of homeownership units in the Palomino Court subdivision. These units are offered to individuals and families within the 80%-160% AMI range. In addition, 20 units are currently in the planning

⁶ 2021 Land Market Survey – National Association of Realtors: <u>https://cdn.nar.realtor/sites/default/files/documents/2021-realtors-land-market-survey-04-21-2022.pdf</u>

⁷ https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics/mms/2022-q1/mms-full-report-2022q1.pdf



process or under development. The homes offered through HLTSC and the City are affordable in perpetuity and payments are fixed based upon the homeowner's income.

At the other end of the affordability spectrum, between 2020-2022, the City's housing stock faced the formidable challenge of all-cash buyers that were able to move during the COVID-19 pandemic due to telecommuting. Much of the City's for-sale housing stock that transacted during this time was purchased well-above asking price, further limiting opportunities for residents to enter the market.

By definition, there is little within the City's power to address non-governmental constraints. However, the Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity to increase allowable density where appropriate to reduce per unit land costs and Housing Program 5: Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households, in which the City partners with the Housing Land Trust of Sonoma County (HLTSC) to provide affordable homeownership opportunities through the Housing Land Trust Model. The City also will be exploring JPA bonds as a tool to finance inclusionary units as part of larger projects.



5. FAIR HOUSING ANALYSIS

Background and Summary of Fair Housing Issues

The requirement to affirmatively further fair housing (AFFH) is derived from the Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex, and later amended to include familial status and disability.1 The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful actions to address significant disparities in housing needs and access to opportunity. These measures are intended to address disproportionate housing needs of the City's most vulnerable residents, including renters and cost burdened households.

Though housing costs continue to rise, and affordable housing is in too short supply, the City of Healdsburg has made notable efforts in the past several years to increase funding for affordable housing, preserve existing and naturally occurring affordable housing, and enhance local fair housing protections. The Assessment of Fair Housing (AFH) details the efforts and progress that the City has made to promote fair and equitable housing opportunities and highlights remaining fair housing issues to be addressed.

Housing Element Requirements

Under State law, affirmatively furthering fair housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." Housing Element law as amended by AB 686 requires that jurisdictions incorporate AFFH into their Housing Element updates, including community engagement and outreach, an assessment of fair housing, identification of housing sites, and goals, policies, and programs that meaningfully address local fair housing issues. The City of Healdsburg is addressing these requirements through the following means:

Meaningful Engagement: Meaningful engagement and outreach efforts were conducted throughout the Housing Element process. These efforts and the incorporation of feedback received is detailed in Appendix A.

Assessment of Fair Housing: This section contains the assessment, which includes analysis of local data, regional data, trends and patterns, and local knowledge. The AFH identifies fair housing issues and contributing factors based on the analysis in five subsections:

- Enforcement and Outreach Capacity
- Segregation and Integration Patterns and Trends
- Disparities in Access to Opportunity
- Disproportionate Housing Needs, including Displacement
- Areas of Concentrated Poverty and Affluence Across Racial and Ethnic Groups



Sites Inventory: Housing sites identified to meet regional housing needs have been evaluated relative to the components of the AFH. Section 3 contains the housing sites information, maps, and a summary of this sites analysis.

Identification of Contributing Factors: Factors that contribute to fair housing issues have been identified for each area of the AFH and prioritizes these factors within **Table 32**.

Goals and Actions: The Housing Element includes meaningful actions with specific metrics to address identified contributing factors Implementing policies and programs are contained within Section 2 of the Housing Element and are described in relationship to contributing factors within **Table 32** in the AFH.

Summary of Fair Housing Issues & Contributing Factors

The Housing Element Work Group (HEWG) provided input on contributing factors to fair housing issues in Healdsburg through a point-based survey distributed to its membership. A clear top four emerged in the survey, with more than triple the points gained by subsequent responses. Discussion with the HEWG affirmed the quartet of key issues centered around supply in Healdsburg's expensive housing market, as contrasted with issues perhaps more traditionally construed as fair housing issues such as housing discrimination, disinvestment, or distress. Upon further inclusion of the City's growth management ordinance, the top five were as follows:

- Aging population excludes younger population who need help to enter the housing market
- Lack of affordable, accessible housing in a range of sizes
- Displacement of residents due to economic pressures (priced out, etc.)
- Lack of affordable units appropriately sized for large families
- Growth management ordinance (GMO)

Healdsburg's aging population excluding the younger population who need help to enter the housing market can be considered from several angles. The HEWG referenced a constrained supply by seniors lacking options for smaller units and remaining in single-family homes unevenly sized for smaller households. This is compounded by the ramifications of Proposition 13 (1978) economically precluding seniors from relocating (including downsizing) on fixed incomes. The HEWG's assessment is consistent with community feedback deprioritizing affordable housing for senior populations, perhaps in part due to the City's stronger track record of developing housing units restricted for 55+ communities in the late 20th century. The top response additionally reflects the need for younger populations to receive assistance in the form of down payment assistance or housing subsidy to live in Healdsburg.

Lack of affordable, accessible housing in a range of sizes mostly reflects a lack of both smaller and larger units. Smaller units serve households including 1- and 2-person households, single parents, people without children, and seniors. Large households include families with more children, blended families, multi-generational families, and collective householders. This contributing factor emerges partly due to the predominance of single-family housing types in the City of Healdsburg that pose a financial barrier to access and in sizes surpassing the needs of smaller households.



Displacement of residents due to economic pressures (priced out, etc.)

reflects the high-cost housing market of Healdsburg both pushing existing residents out and preventing more from moving in. The HEWG further noted that the displacement of residents was itself part of the occurrence of secondary homes used exclusively for vacation and investment. As noted in Section 1, the City is a destination for real estate investment that results in disparate vacancy rates surpassing those of the region.

Lack of affordable units appropriately sized for large families affirms the findings of the second contributing factor on a lack of housing in a range of sizes. The HEWG and the community noted that large families experience difficulty obtaining deed-restricted affordable housing with smaller unit counts. The HEWG additionally noted that market-rate housing with higher bedroom counts (4-bedroom and above) were uncommon and unaffordable in contrast to neighboring communities such as Windsor. This finding is supported by the difference between declining school enrollment in Healdsburg and more stable enrollment in Windsor.

Upon discussion with the HEWG, the City's <u>growth management ordinance (GMO)</u> was proposed as a fifth contributing factor. The GMO was not included within the HEWG survey yet emerged as a clear issue in surveys of both the community at large and of housing development stakeholders. This addition is consistent with the overall prioritization of housing supply considerations throughout the housing strategy and the broader Housing Element.

Fair Housing Enforcement and Outreach Capacity

Fair housing enforcement and outreach capacity relate to the ability of the City and local fair housing entities to disseminate information related to fair housing and provide outreach and education to assure community members are well aware of fair housing laws and rights. In addition, enforcement and outreach capacity include the ability to address compliance with fair housing laws, such as investigating complaints, obtaining remedies, and engaging in fair housing testing.

Compliance with Existing Fair Housing Laws and Regulations

Federal, state, and local laws make it illegal to discriminate based on a person's protected class. At the Federal level, the Fair Housing Act prohibits discrimination based on race, color, religion, sex, national origin, familial status, and disability. In California, the Fair Employment and Housing Act (FEHA) and the Unruh Civil Rights Act also make it illegal to discriminate based on marital status, ancestry, sexual orientation, source of income, or any other arbitrary forms of discrimination.⁸

Federal and state fair housing law both prohibit intentional housing discrimination and prohibit any actions or policies which may have a discriminatory effect on a protected group of people. Examples of policies or practices with discriminatory effects include exclusionary zoning and land use policies, mortgage lending and insurance practices, and residential rules that may indirectly inhibit religious or cultural expression.

Both the State and the Federal government have structures in place to process and investigate fair housing complaints. In California, the Department of Fair Employment and Housing (DFEH)

⁸ Government Code Section 12955 et seq



maintains the authority to investigate complaints of discrimination related to

employment, housing, public accommodations and hate violence. The agency processes complaints online, over the phone and by mail and provides protection and monetary relief to victims of unlawful housing practices. At a federal level, HUD also processes, investigates, and enforces any complaints in violation of the Federal Fair Housing Act.

Additional State protections include the following:

The Ralph Civil Rights Act (California Civil Code Section 51.7) forbids acts of violence or threats of violence because of a person's race, color, religion, ancestry, national origin, age, disability, sex, sexual orientation, political affiliation, or position in a labor dispute.

The Bane Civil Rights Act (California Civil Code Section 52.1) provides another layer of protection for fair housing choice by protecting all people in California from interference by force or threat of force with an individual's constitutional or statutory rights, including a right to equal access to housing.

California Civil Code Section 1940.3 prohibits landlords from questioning potential residents about their immigration or citizenship status. In addition, this law forbids local jurisdictions from passing laws that direct landlords to make inquiries about a person's citizenship or immigration status.

The California Tenant Protection Act (AB 1482; California Civil Code 1946.2, 1947.12 and 1946.13)¹ prohibits tenants from being evicted without "just cause," which means that tenants who have lived in a unit for at least a year may only be evicted for enumerated reasons, such as failure to pay rent, criminal activity, or breach of a material term of the lease. The law also caps rent increases at 5% for a period of 10 years.

California Government Code Sections 11135, 65008, and 65580-65589.8 prohibit discrimination in programs funded by the State and in land use decisions.

The City of Healdsburg maintains compliance with all Federal and State fair housing laws and is committed to ensuring access to fair housing services. In addition to anti-discrimination for protected classes, the City promotes fair housing through the preservation and production of affordable housing. The following affordable housing requirements can be found in City of Healdsburg Municipal Code:

- Inclusionary Housing Ordinance: To promote the construction of affordable housing in Healdsburg, residential or mixed-use development projects with five or more dwelling units must reserve at least 20 percent of the total number of new dwelling units for low-, moderateor middle-income households regardless of whether it is a rental or purchase-based property.⁹
- In-Lieu Fees: As is typical throughout the region, Healdsburg allows developers of four or fewer units to pay a fee or alternatively comply through a land dedication, off-site

⁹ Healdsburg Municipal Code, Chapter 20.20.030 Inclusionary housing



construction of inclusionary units, or conversation of existing market-rate units to inclusionary units instead of building affordable units on site. These fees were increased by the City Council in 2019. ¹⁰

- Density-Bonuses: The City provides density bonuses for the construction of affordable housing as prescribed by state law. An additional source of affordable housing permitted in parcels zoned as residential are accessory dwelling units.9 While deed restrictions apply to these properties, the duration of the restriction is left to the discretion of the City Council and state law.¹¹
- Exemptions to Residential Growth Management Ordinance (GMO): In 2000, the voters of Healdsburg passed Measure M to establish an annual quantified limit on the rate of resident growth within the city's Urban Growth Boundary.¹² In recognition of the ordinance's limitation on affordable housing development, the law was amended in 2020 under Measure H and now exempts affordable housing units, accessory dwellings, residents care facilities, and senior care facilities. The GMO cannot be amended or eliminated through a program of the Housing Element without electoral action of the people of Healdsburg. The City is exempted from the partial prohibition on growth management ordinances stipulated by amendments to the Housing Accountability Act (SB 330), as Healdsburg is a jurisdiction in an eligible County with a voter-approved initiative prior to the year 2005.
- R-1-3, 500 Districts: In addition to the general purposes and objectives of the R-1 District, the R-1-3, 500 District was established in part to assist in promoting affordable housing by allowing residents development on smaller lots in the community.¹³

Aside from these City-level measures, the County of Sonoma also promotes the preservation and creation of affordable housing works to affirmatively further fair housing through their own policies, programs, projects, and practices.

Complaints, Findings, Lawsuits, Enforcement Actions, Settlements or Judgments Related to Fair Housing and Civil Rights

Federally, Title VIII fair housing case may be filed based on race, color, national origin, religion, sex, disability, familial status, and retaliation for filing a Fair Housing and Equal Opportunity (FHEO) complaint. Between 2013 and 2021, there have been no FHEO complaints made in the City of Healdsburg.

Fair Housing Services and Enforcement at a Local Level

The City of Healdsburg works to eliminate all unlawful discrimination in housing with respect to all protected classes so residents can obtain affordable, adequate, and accessible housing throughout the City.

¹⁰ Id

¹¹ Healdsburg Municipal Code, Chapter 20.20.035 Affordable housing incentives

¹² Healdsburg Municipal Code, Chapter 17.24: Growth Control Measures

¹³ Healdsburg Municipal Code, Chapter 20.08.020 Special purposes of R-1-3,500 District



Fair housing materials are distributed at City Hall. The City requires

nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with City agreements. The City also holds an annual Housing Fair in conjunction with Sonoma County, an event that includes elected representatives from both jurisdictions as well as housing providers, fair housing experts, and other related parties.

In addition to these actions, Healdsburg works with and benefits from local and regional organizations that increase the City's capacity for fair housing outreach and enforcement. These organizations include the following:

Sonoma County Community Development Commission (CDC): The CDC was established in 1970 and is "dedicated to creating homes for all in thriving and inclusive neighborhoods." They strive to do so by offering three core services: rental assistance, homeless services, and investment in community and affordable housing projects. The goal is to create housing that is "affordable, available, and accessible to the County's low-income and workforce residents."

Every three years, the CDC produces a new Three-Year Strategic Plan to "identify its role within the County of Sonoma and to guide its work effort in a rapidly changing environment." The most recent plan, released in August 2019, discusses recent evidence that "housing instability as measured by rent burdens, over-crowding, and concentrations of poor households in high poverty neighborhoods remains a pressing issue impeding the full recovery of the county and disproportionately impacting communities of color." To address these issues, the CDC has created a strategic plan aimed at fostering a strong team, building trust through proactive engagement, and creating pathways to housing and community resources.

Fair Housing of Sonoma County (FHOSC): The FHOSC is the designated provider of fair housing and landlord-tenant information and referral services and is under contract with the Sonoma County CDC and the City of Santa Rosa. The non-profit agency provides free information and assistance to all residents, landlords, and homeowners of Sonoma County and provides referrals to other fair housing agencies within the County.

Bay Area Legal Aid (BALA): BALA represents low and very low-income residents within their sevencounty service area, including Sonoma County. BALA is also a grantee under HUD's Fair Housing Initiatives Program (FHIP) and receives funding from HUD to assist victims of housing discrimination. Their housing practice provides legal assistance regarding public, subsidized (including Section 8 and other HUD subsidized projects) and private housing, fair housing and housing discrimination, housing conditions, rent control, eviction defense, lockouts and utility shut-offs, residential hotels, and training advocates and community organizations. It is important to note that BALA is restricted from representing undocumented clients.

Department of Fair Employment and Housing (DFEH): The California DFEH is a state agency dedicated to enforcing California's civil rights laws. Its mission targets unlawful discrimination in employment, housing, and public accommodations, hate violence, and human trafficking. Victims of discrimination can submit complaints directly to the department. DFEH is also a HUD Fair Housing Assistance Program (FHAP) agency and receives funding from HUD to enforce fair housing laws.

Fair Housing Advocates of Northern California (FHANC): Fair Housing Advocates of Northern California is a private 501(c)(3) nonprofit organization with a stated mission of ensuring equal housing



opportunity and educating communities on the value of diversity in their

neighborhoods. FHANC is also a grantee under HUD's Fair Housing Initiatives Program (FHIP), which means that it receives funding from HUD to assist victims of housing discrimination. FHANC provides fair housing counseling services, fair housing complaint investigation, and assistance in filing fair housing administrative complaints to residents of Sonoma, Solano, and Marin counties. FHANC also offers counseling and education programs on foreclosure prevention and pre-purchase homebuying.

Public Housing

The City of Healdsburg does not own or operate any public housing; however, there are eight existing publicly subsidized affordable housing properties and one under construction with a 2022 completion date in the City. These properties are distributed evenly throughout the city and are situated in low, moderate, and high resource areas according to the TCAC/HCD Opportunity Maps:

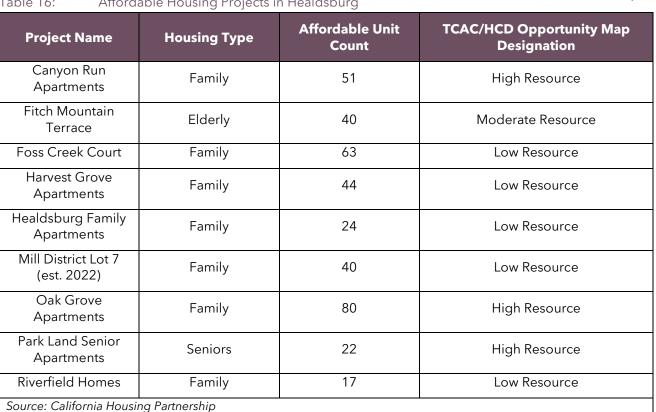
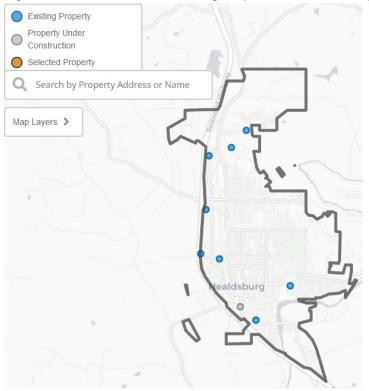


Table 16: Affordable Housing Projects in Healdsburg

Affordable Housing Properties in Healdsburg Figure 2:







Among other outcomes, these affordable units are estimated to generate the following outcomes: \$520 per month in median household rent savings; \$248,000 per year in medical cost savings from living in a lower poverty community; 7 MTCO2e per year in GHG emission reductions from proximity of transit and 10 MTCO2e per year in GHG emission reductions from proximity to jobs; 26 supported jobs per year; \$1 million per year in generated wages and business income; and \$381,000 per year in state and local taxes.¹⁴

Housing Choice Vouchers

The Housing Choice Voucher (HCV) Program Section 8 is the federal government's major program for assistant very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants can find their own housing, including single-family homes, townhouses, and apartments. In general, qualified household income may not exceed 50% of the median income for the county and at least 75 percent of locally administered vouchers must go to applicants whose incomes do not exceed 30 percent of the area median income.

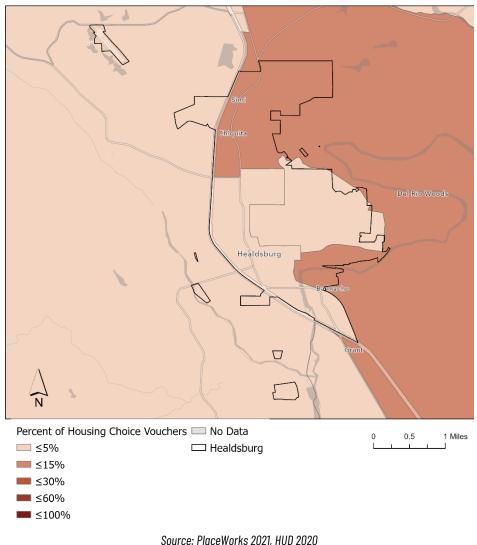
HCVs are administered locally through the Sonoma County Housing Authority (SCHA). To become a program participant, families and individuals must apply during the waiting list application period. As of July 2022, the Sonoma County Housing Authority HCV Waitlist is currently closed. Lists are expected to open approximately every three to five years. While the list is open, 750 applications are randomly selected and assigned a place in line. Once a name reaches the top of the Waiting List, the applicant is interviewed to determine eligibility. Once enrolled, the HCV Program provides monthly rental payments to private landlords on behalf of program participant and the participant pays the difference between the actual rent charged and the amount subsidized by the program. Program participants can move without the loss of housing assistance.

Within the City of Healdsburg, the greatest shares of HCVs as a percent of renter-occupied housing units are located in the census tract that intersects the most northern part of the City along with a small section in the southeast (**Figure 3**).

¹⁴ Affordable Housing Map & Benefits Calculator



Figure 3: Housing Choice Vouchers as a Percent of Renter-Occupied Housing Units by Census Tract, 2020



Housing Enforcement and Outreach Capacity: Conclusion and Contributing Factors

The City of Healdsburg fully complies with fair housing regulations at the state and federal levels and continually strives to promote fair housing practices throughout the City.

Integration and Segregation Patterns

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. Integration in the equal distribution of demographic groups within a geographic location or community. This section of the Assessment of Fair Housing will assess the extent of racial and income segregation and integration both on the neighborhood level and vis-à-vis the region.

Segregation is partly a result of historical exclusionary zoning practices, which is the use of zoning ordinances to exclude certain types of land uses and/or races and ethnicities from a given



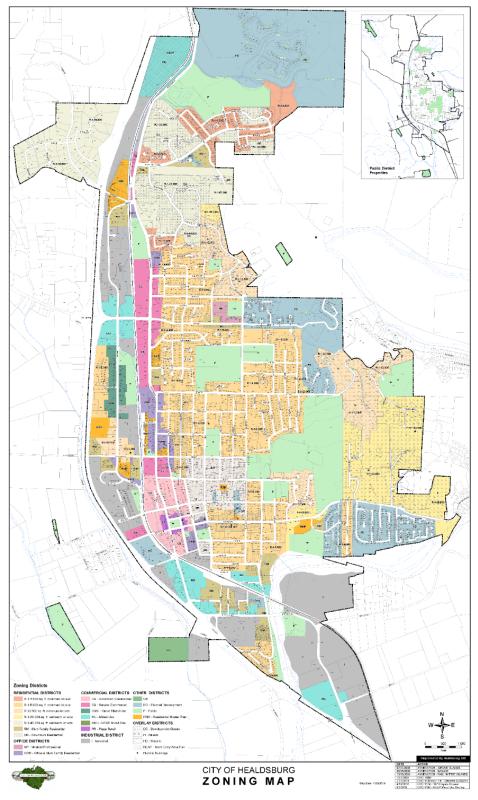
community. Exclusionary zoning was introduced in the early 1900s, typically to prevent racial and ethnic minorities from moving into middle- and upper-class neighborhoods. In the United States, exclusionary zoning is standard in almost all communities and is used to limit the supply of available housing units, such as prohibiting multifamily residential dwelling and minimum lot size requirements.

While not intended to be exclusionary, Healdsburg's zoning code designates most of the city as "R-1 One Family Residential Districts" (**Figure 4**) which constitute over 80 percent of zoned land. This type of zoning is inherently exclusionary given that it prevents the occurrence of other, more affordable types of residential uses. The City of Healdsburg has taken steps to address past exclusionary zoning practices with each update of the Housing Element.

The northern end of Healdsburg is the most feasible and safe place that medium- to high-density housing can be developed in Healdsburg's high-resource areas, due to wildfire-related environmental constraints and a lack of large lots in eastern portions of Healdsburg among the foothills of Fitch Mountain. The amenities such as parks and infrastructure developed among a confluence of high-scale tourism and housing for a variety of income levels reflect the conscious effort of new development in high resource areas to include housing opportunity within a livable built environment for all residents and visitors of north Healdsburg. Program 4.4 is included in the Housing Element to continue the success of project-based amenities with a North Healdsburg Avenue Plan focusing on the arterial directly south of the developments in progress comprising most of the City's 6th Cycle Sites Inventory.



Figure 4: Healdsburg Zoning Map

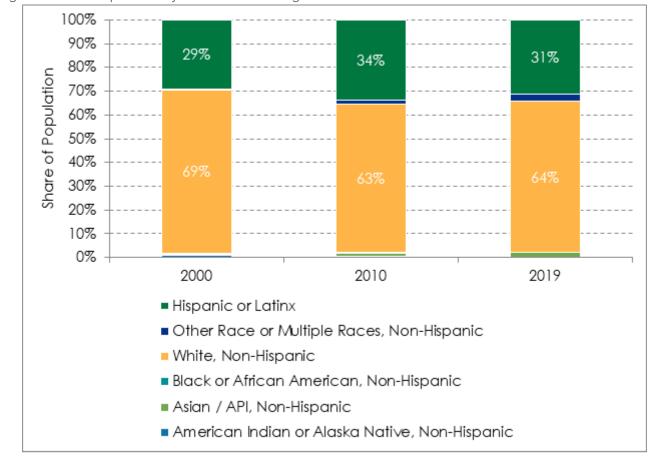


Source: City of Healdsburg (healdsburg.gov)



Race and Ethnicity

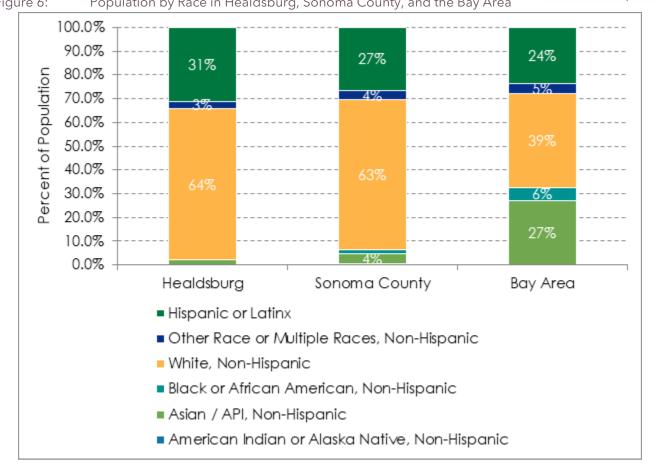
Roughly two-thirds of the population of Healdsburg is white, making up the largest group. The Hispanic or Latino population is the second largest group, making up roughly one-third of the total population. Between 2000 and 2020, the White population declined by five percent while the Hispanic or Latino population increased by two percent. Although still marginal, the Asian and Other Race or Multiple Races populations also increased slightly since 2000.





Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

In Sonoma County and the Bay Area region, two of the most prevalent racial and ethnic groups are also White and Hispanic or Latino. Healdsburg has a larger proportion of White residents than both Sonoma County and the Bay Area and a larger proportion of Hispanic/Latino residents. Both Healdsburg and Sonoma County have significantly smaller Asian populations than the Bay Area as a whole. (**Figure 5**).



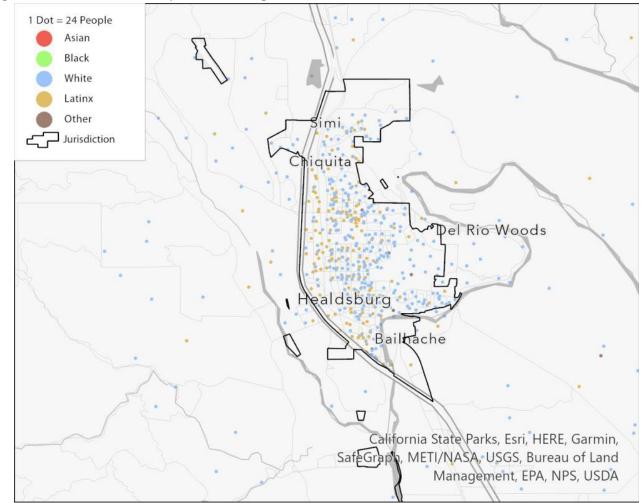
Population by Race in Healdsburg, Sonoma County, and the Bay Area Figure 6:

Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

Racial dot maps are useful for examining neighborhood racial segregation within a jurisdiction. The racial dot map of Healdsburg visually demonstrates the predominance of White residents followed by Latino populations. White residents, represented by the blue dots in **Figure 7**, are evenly distributed throughout the City while Latino residents, represented by mustard-colored dots, are more concentrated in the western part of the City along the Highway 101 corridor. These concentrations coincide with the location of most mobile home parks and rental apartments, yet do not coincide with income distribution to a degree of clear correlation.



Figure 7: Racial Dot Map of Healdsburg, 2020



Source: CA State Parks, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

At the regional level, segregation is measured between cities instead of between neighborhoods. The racial dot map below presents the spatial distribution of racial groups in Healdsburg as well as in nearby Bay Area cities and unincorporated jurisdictions. The concentration of Hispanic/Latino populations in the western part of the City is even more evident through this view.



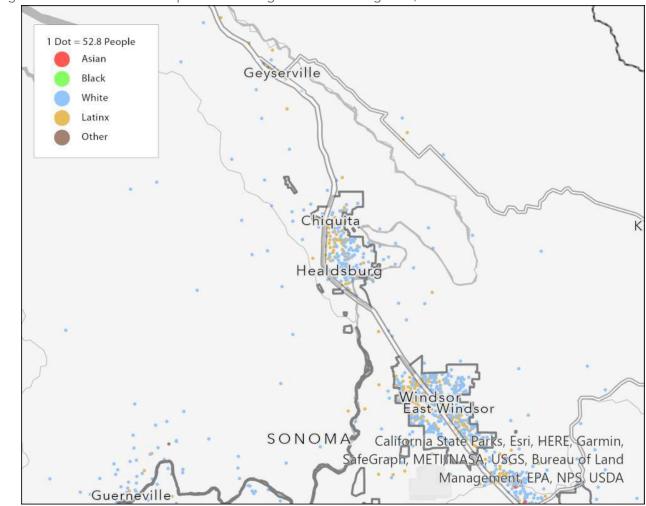


Figure 8: Racial Dot Map of Healdsburg and Surrounding Area, 2020

Source: CA State Parks, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

The Othering & Belonging Institute's Divergence Index measures the degree of "divergence" in demographics from a particular geography (i.e., a city) to another larger geography such as a census tract to a county. Index values range from zero to one, with higher values indicating greater divergence and more segregation. Healdsburg has an Intermunicipal Divergence (i.e., segregation of residents from the larger region) value of 0.2953. This constitutes the highest level of racial segregation according to the index, along with most other jurisdictions in Sonoma County. However, further data produced by the Othering & Belonging Institute rated Sonoma County jurisdictions as the among most integrated jurisdictions in the Bay Area despite demarcation as exhibiting a high or moderate level of segregation in the earlier report.



Cities/Towns	Inter-municipal Divergence	Population	Level of Segregation	
Sebastopol	0.4160	7,379	High	
Sonoma	0.3505	10,648	High	
Cotati	0.2510	7,265	High	
Petaluma	0.2257	57,941	High	
Rohnert Park	0.1941	40,971	Moderate	
Healdsburg	0.2953	11,254	High	
Cloverdale	0.2998	8,618	High	
Santa Rosa	0.1750	167,815	Moderate	
Source: Othering & Belonging Institute Racial Segregation in the San Francisco Bay Area, Part				

 Table 17:
 Intermunicipal Divergence of Municipalities in Sonoma County

Another way to measure levels of segregation is by using an isolation index. The isolation index compares each neighborhood's composition to the jurisdiction's demographics. This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups. Isolation indices indicate the potential for contact between different groups and can be interpreted as the experience of the average member of that group.

Within Healdsburg, the most isolated racial group is white residents. Healdsburg's isolation index of 0.614 for white residents means that the average white resident lives in a neighborhood that is 61.4 percent white. Other racial groups are less isolated, meaning they are more likely to encourage other racial groups in their neighborhoods. Among all racial groups in Healdsburg, the white population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.



	Healdsburg			Bay Area
Race	2000	2010	2020	2020
Asian/Pacific Islander	0.008	0.017	0.016	0.245
Black/African American	0.003	0.006	0.005	0.053
Hispanic/Latino	0.329	0.348	0.397	0.251
White	0.722	0.688	0.614	0.491
Source: IPUMS National Historical Geographic Information System (NHGIS), U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004				

Table 18:Racial Isolation Index Values for Segregation within Healdsburg

While the racial isolation index measures the segregation of a single group, the dissimilarity index measures segregation between two different groups. **Table 19** provides the racial dissimilarity index values indicating the level of segregation in Healdsburg between white residents and residents who are Black, Hispanic/Latino, or Asian/Pacific Islander. The table also provides the racial dissimilarity index between white residents and all residents of color in the jurisdiction, and all racial dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In Healdsburg, the highest segregation is between Hispanic/Latino and white residents. The dissimilarity index of 0.278 means that 27.8 percent of Hispanic/Latino or white residents would need to move to a different neighborhood to create perfect integration between the two groups. The dissimilarity index for the average Bay Area jurisdiction is 20.7% which means that Healdsburg has less integrated neighborhoods on average.



	Healdsburg			Bay Area Average
Race	2000	2010	2020	2020
Asian/Pacific Islander vs. White	0.078*	0.224*	0.082*	0.185
Black/African American vs. White	0.233*	0.155*	0.209*	0.244
Hispanic/Latino vs. White	0.295	0.261	0.278	0.207
People of Color vs. White	0.267	0.232	0.244	0.168
Note: numbers marked with an asterisk (*) indicate that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.				

Table 19: Racial Dissimilarity Index Values for Segregation Within Healdsburg

5 percent of the jurisdiction population, leading to unreliable numbers. Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S> Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010

census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

The Theil's H Index offers the clearest summary of overall segregation within a jurisdiction. This index measures the diversity of each neighborhood compared to the entire jurisdiction. Neighborhoods are weighted by their size so that larger neighborhoods play a more significant role in determining the total measure of segregation. The index ranges from zero to one. A value of zero means that all neighborhoods within a city have the same demographics as the city. A value of one means that each group lives exclusively in their own, separate neighborhood.

The "Bay Area Average" column in **Table 20** below provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in Healdsburg stayed the same suggesting that there is now about the same amount of neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for racial segregation in Healdsburg was higher than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in Healdsburg is more than in the average Bay Area city.

Table 20:	Theil's H Index Values	for Racial Segregation	within Healdsburg
Table 20.	Theirs Frindex values	ioi Nacial Segregation	within healdsburg

	Healdsburg			Bay Area
Index	2000	2010	2020	2020
Theil's H Multi-racial	0.056	0.049	0.047	0.042
Source: IPLIMS National Historical Geog	raphic Information	System (NHGIS) 115	Consus Buroau 2	120 Consus Stato

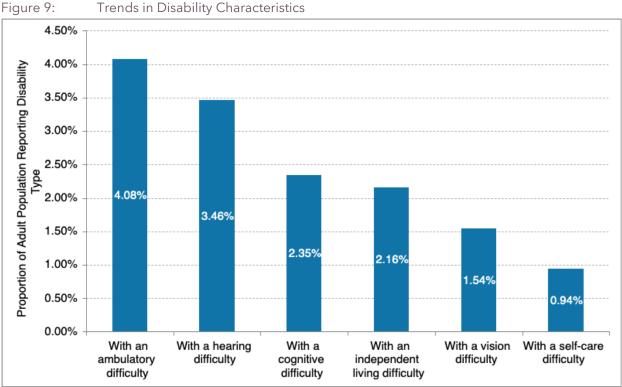
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004



Persons with Disabilities

The Americans with Disabilities Act (ADA) defines a disability as a "physical or mental impairment that substantially limits one or more major life activities." California law requires Housing Elements to examine the housing needs of people with developmental disabilities which are defined as severe, chronic, and attributed to a mental to physical impairment that begins before a person turns 18 years old.

According to 2019 U.S. Census data, 1,128 individuals over the age of 18 reported a disability of any kind in Healdsburg which constitutes 10 percent of the population. Figure 9 breaks down the proportion reported disability type.



Trends in Disability Characteristics

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102-07

In Healdsburg, there are significant differences in disability status by race and ethnicity. White individuals are far more likely to have disabilities than are Asian individuals, with the incidence of disabilities among the populations of Hispanic/Latino residents in between. It is possible that the small number of Asian residents along with disparities in age (which are highly correlated with disability status) explain some of the disparity.

Race or Ethnicity	Total Population	# with a Disability	% with a Disability
Total Non- Institutionalized Population	11,788	1,128	9.6%
White Alone, Not Hispanic or Latino	7,497	791	10.6%
Black or African American Alone*	0	0	N/A
Asian Alone*	211	0	0.0%
Hispanic or Latino (of any race)	3,675	274	7.5%

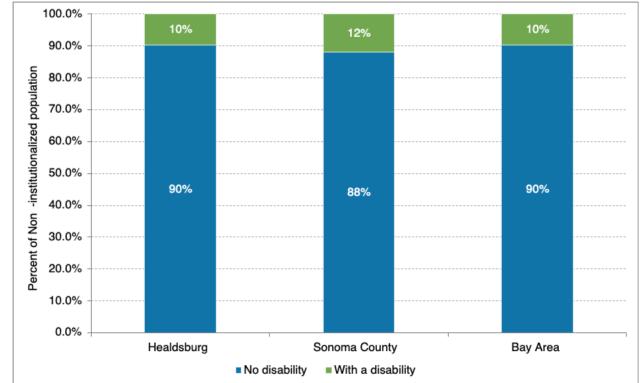
Table 21:Disability Status by Race

*As a result of how ACS Table S1810 disaggregates race and ethnicity data for persons with disabilities, Black and Asian population estimates are reflective of all persons who identify as Black or Asian alone, including those who also identify as Hispanic or Latino.

The share of the non-institutionalized population with a disability in Healdsburg is two percent lower than that of Sonoma County (12%) while it is on par with that of the Bay Area (10%).







Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18101

Familial Status

Familial status refers to the presence of children under the age of 18, whether the child is biologically related to the head of household, and the marital status of the head of households. It is important to analyze familial status to identify areas where a city might need to focus resources (i.e., single-parent households, female-headed, large families, and/or elderly persons living alone).

Individuals living with a spouse often have more economic opportunities as they may have higher combined household incomes. Conversely, single-parent households are more likely to have lower per-capita income and higher living expenses, such as daycare. They might also have more challenges with finding affordable, decent, and safe housing and may be at higher risk of rental discrimination. At times, landlords may be concerned about the ability of such households to make regular rent payments and may require more stringent credit check or higher security deposits for single parent applicants.

Married-couple family households are the most common family arrangement in Healdsburg, Sonoma County, and the Bay Area, making up roughly half of households in all three places. The second most common type of household is a single person living alone. In Healdsburg, Sonoma County, and the Bay Area, there is twice the share of female-headed households (10%) than there are male-headed households (5%).

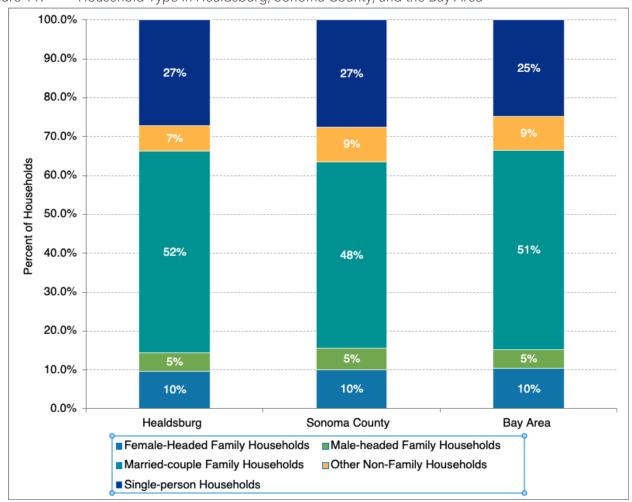


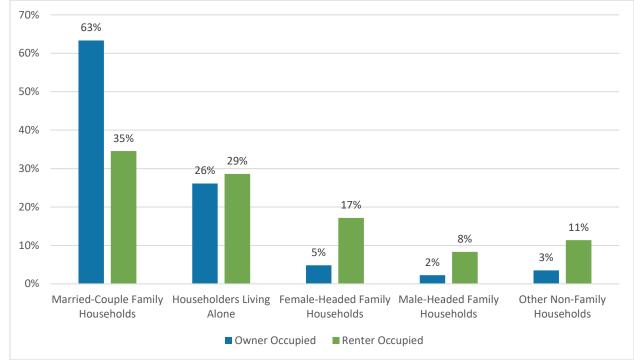
Figure 11: Household Type in Healdsburg, Sonoma County, and the Bay Area

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001

Household type has implications on the housing that a family can afford. Married-couple family households are the most likely to own their homes in Healdsburg while householders living alone are more like to rent. More than twice the number of female-headed family households rent their homes (17%) than those who own (5%).







Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25011

Income

Household income is the principal factor in determining a household's ability to balance housing costs with other basic life necessities. Households with lower incomes are limited in their ability to balance housing costs with other needs, and often face additional barriers when seeking adequate housing. The relationship between household income, household type, race/ethnicity, and other protected classes often exacerbates fair housing issues. Identifying geographies and individuals with a low- to moderate- income (LMI) is important to overcome patterns of segregation. HUD defines LMI areas as a Census tract or block group where over 51 percent of the population is LMI, with income at or below 80 percent of the Area Median Income.

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California remains one of the most economically unequal states in the nation and the Bay Area region has the highest income inequality in the State. In Healdsburg, 60 percent of households earn more than the Area Median Income (AMI) (the highest income group) which is a larger proportion than in Sonoma County and the Bay Area. The rate of Extremely Low-Income (0-30% AMI) households in Healdsburg is six percent lower than the Bay Area average (see **Figure 13**).



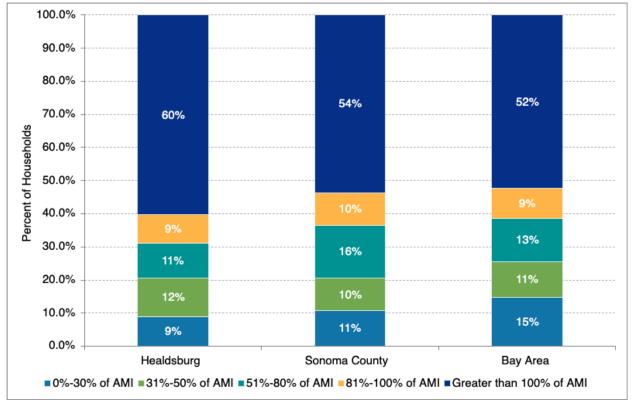


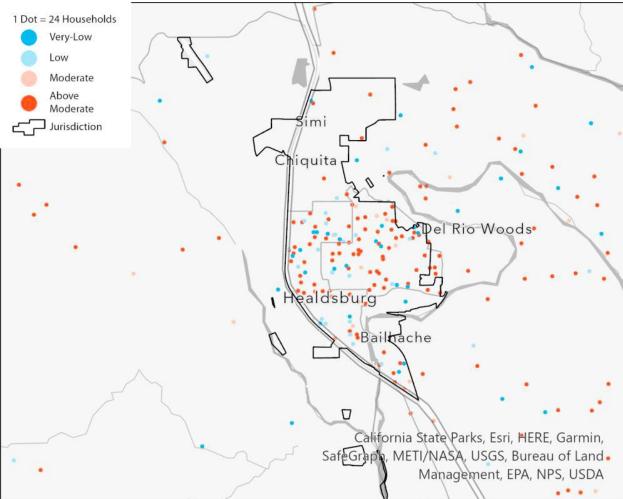
Figure 13: Households by Households Income Level in Healdsburg

Income segregation can be measured using similar indices as racial segregation. Dot maps are equally useful for identifying segregation between income groups. The income dot map of Healdsburg in **Figure 14** offers a visual representation of the spatial distribution of income groups within the jurisdiction. Lack of a pattern or clustering indicates less income segregation. Conversely, segregation measures may be higher when clusters are apparent. There are no notable income clusters in or around the City of Healdsburg.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release







Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Income Isolation Index values for Healdsburg and the average Bay Area jurisdiction are present in **Table 22** below. Above Moderate-income residents are the most isolated income group in Healdsburg. The isolation index values of 0.456 in 2015 means that the average above moderate-income resident in Healdsburg lives in a neighborhood that is 45.6% above moderate-income. The isolation levels of low- and moderate-income groups has changed the most over time, both becoming less segregated between 2010 and 2015.



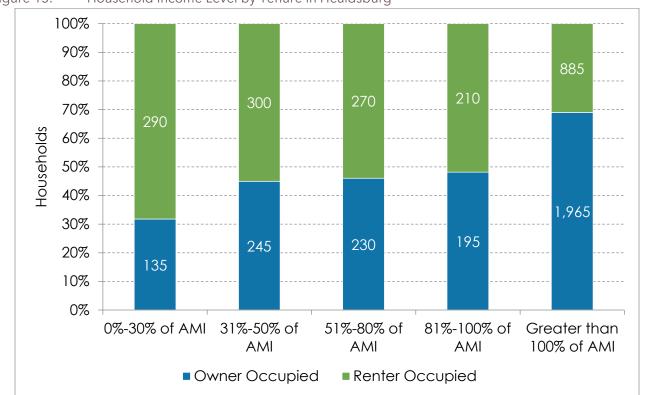
Table 22:Income Group Isolation Index Values in Healdsburg (2010, 2015) andAverage Bay Area Jurisdiction (2015)

	Healdsburg		Bay Area Average	
Income Group	2010	2015	2015	
Very Low-Income (<50% AMI)	0.307	0.260	0.269	
Low-Income (50%-80% AMI)	0.193	0.158	0.145	
Moderate-Income (80%-120% AMI)	0.149	0.212	0.183	
Above Moderate-Income (>120% AMI)	0.435	0.439	0.507	
Source: ACS 5-Year 2011-2015 Low- and Moderate-Income Summary Data, ACS 5-Year 2006-2010 Low-				

and Moderate-Income Summary Data

Income levels also have implications on housing tenure. In Healdsburg, lower income households are more likely to rent than own while the inverse is true of higher income households as demonstrated in **Figure 15**. Out of all jurisdictions in Sonoma County, Healdsburg tops the list of single-family homes with the largest share of renter-occupied units at over 65 percent. Rental complexes (i.e., duplexes, triplexes, and quadplexes) make up one of the largest shares of homes in Healdsburg at 18 percent.¹⁵

¹⁵ State of Housing in Sonoma County 2022



Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Table 23 below provides the dissimilarity index values indicating the level of segregation in Healdsburg between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). Between 2010 and 2015, segregation between lower-income residents and residents who are not lower-income decreased. The income segregation in Healdsburg was also lower than the average value for Bay Area jurisdictions in 2015.

Table 23:	Income Group Diss	imilarity Index Value	s for Segregation w	ithin Healdsburg
10010 20.	income oroup biss	minute mack value	s for segregation w	runninculusburg

	Healdsburg		Bay Area Average
Income Group	2010	2015	2015
Below 80% AMI vs. Above 80% AMI	0.192	0.166	0.198
Below 50% AMI vs. Above 120% AMI	0.178	0.209	0.253
Source: ACS 5-Year 2011-2015 Low- and Moderate-Income Summary Data, ACS 5-Year 2006-2010 Low- and Moderate- Income Summary Data			



<u>Poverty</u>

The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who classifies as impoverished. If a family's total income is less than the family's threshold, then that family and every individual in it is living in poverty. Many households with multiple wage earners-including food service workers, full-time students, teachers, farmworkers, and healthcare professionals-can fall into lower AMI categories due to stagnant wages in lower-wage industries. Of the population for whom poverty status is determined in Healdsburg (684 out of 11.8k people), 5.81% of the population lives below the poverty line.¹⁶

Across the region, state, and country, people of color are more likely to experience poverty and financial instability due to the lasting impacts of historical housing policies that exclude them from opportunities extended to white residents. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness (**Table 22**). Other Race or Multiple Races, Asian, and Hispanic/Latino populations are the most likely to experience poverty in Healdsburg.

Racial / Ethnic Group	Percentage
Other Race or Multiple Races (Hispanic and Non-Hispanic)	8.9%
Asian / API (Hispanic and Non-Hispanic)	8.1%
Hispanic or Latino	6.3%
White, Non-Hispanic	5.8%
White (Hispanic and Non-Hispanic)	5.0%
Black or African American (Hispanic and Non-Hispanic)	0.0%
American Indian or Alaska Native (Hispanic and Non-Hispanic)	0.0%
U.S. Census Bureau, American Community Survey 5-Year Data (2020), Table S1701	

Table 24: Poverty Status by Race in Healdsburg

As of 2019, Healdsburg had a smaller proportion of residents living in poverty compared both the State of California and Sonoma County.

¹⁶ U.S. Census Bureau ACS 5-year Estimate, 2019



Table 25:Percent of Population Below Poverty Level for Whom Poverty Status isDetermined in California, Sonoma County, and Healdsburg (2019)

	California	Sonoma County	Healdsburg	
% of population below poverty	13.4%	9.2%	5.8%	
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2019), Table S170				

Racially & Ethnically Concentrated Areas of Poverty (R/ECAP) and Affluence (RCAA)

The U.S. Department of Housing and Urban Development (HUD) has determined that whites are the most racially segregated group in the United States and "in the same way neighborhood disadvantage is associated with concentrated poverty and high concentrations of people of color, conversely, distinct advantages are associated with residence in affluent, white communities." HUD defines census tracts with a majority non-White populations (greater than 50 percent) that have either a poverty rate that exceeds 40 percent or is three times the average tract poverty rate for the metro/micro area, whichever threshold is lower, as Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs). There are no R/ECAPS in the City of Healdsburg.

While RECAPs have long been the focus of fair housing policies, racially concentrated areas of affluence should also be analyzed to ensure housing is integrated, a key to fair housing choice. Scholars at the University of Minnesota Humphrey School of Public Affairs have created the Racially Concentrated Areas of Affluence (RCAAs) metric to tell the story of segregation more fully in the United States. Based on their research, RCAAs are defined as census tracts where 1) 80 percent or more of the population is white, and 2) the median household income is \$125,000 or greater. There are no RCAAs in Healdsburg, however it does border a RCAA-designated census tract directly south of the City.

In February 2017, the California Fair Housing Task Force (Task Force) was tasked with creating a map that more effectively reflects that level of racial and ethnic diversity in many parts of California. The map that was created filters areas that are both non-whites racially segregated and high poverty. Census tracts and rural block groups that have both a poverty rate of over 30 percent and that are designated as being racially segregated are categorized by this statewide standard as "High Segregation and Poverty." There are no Block Groups of High Segregation and Poverty in Healdsburg.

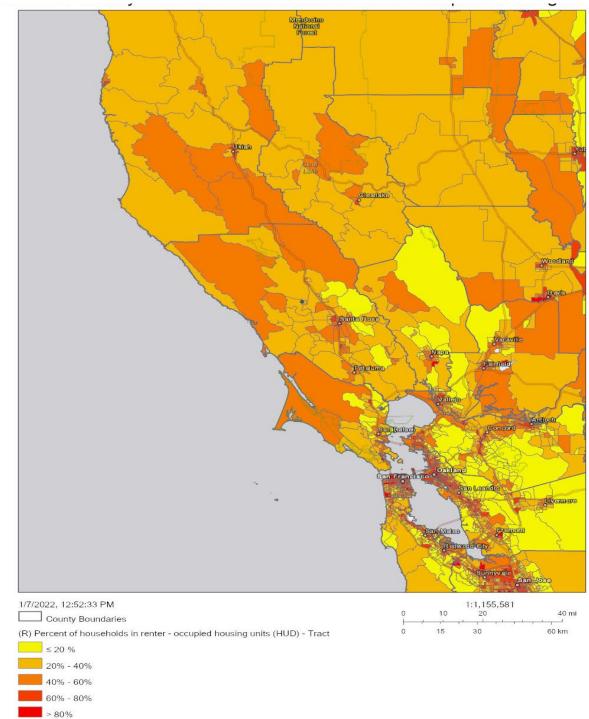
<u>Tenure</u>

In 2019, 60.5 percent of housing units in Healdsburg were occupied by the owner. This percentage declined from the previous year's rate of 61.3 percent. This is lower than the national average of 64.1 percent.

In Sonoma County, the location of renters largely correlates with patterns of racial and ethnic segregation. The highest concentration of renters is near Santa Rosa and Petaluma. There are fewer renters in the northeast portion of the county.



Figure 16: Sonoma County Percent of Households in Renter-Occupied Housing Units





Disparities in Access to Opportunity

Racial and economic segregation can lead to vastly unequal access to opportunities within community such as access to high performing schools, good paying jobs, public transportation, parks and playgrounds, clean air and water, public safety, and other resources. This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes including lower educational attainment, higher morbidity rates, and higher mortality rates.

This section of the Assessment of Fair Housing will identify socioeconomic barriers related to education, environment, employment, and transportation that could negatively impact certain communities in the City of Healdsburg.

The TCAC Opportunity Areas 2022 Composite Score map (**Figure 17**) summarizes the overall resource level of each census tract. Resource levels in Healdsburg range from Low to High. The Low Resource areas are concentrated in the western part of the city adjacent to Highway 101. This is also where Hispanic or Latino populations are clustered on the Racial Dot Map.

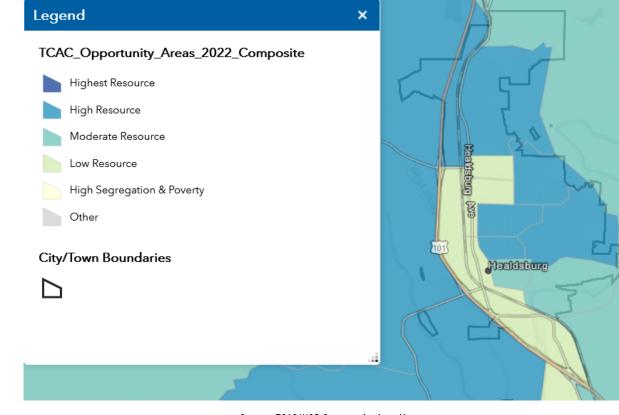


Figure 17: TCAC Opportunity Areas Composite Scores, 2022

Source: TCAC/HCD Opportunity Area Maps



<u>Education</u>

TK-12 education for the City of Healdsburg is provided by the Healdsburg Unified School District. The elementary program consists of one elementary school, Healdsburg Elementary School (grades TK-2) and Fitch Mountain Campus (grades 3-5). The district previously included Healdsburg Charter (grades K-5), formed in 2011 and closed in 2020 due to disparities in race and student achievement. In 2018-19, Latinos accounted for 88% of the student population at Healdsburg Elementary, and only 41% at Healdsburg Charter, according to the California Department of Education. In response to inequities identified by community input and a district-sponsored study, kindergarten classes were combined in 2019, followed by a complete merger of the two campuses the following year.

The secondary program consists of three schools, Healdsburg High School (9-12), Marce Becerra Academy (alternative high school, grades 11-12), and Healdsburg Junior High (grades 6-8). In 2021, the high school graduation rate was 90 percent, slightly higher than the statewide average of 86.8 percent.¹⁷ White students had the highest rates of graduation (92.8%) followed by Hispanic students (87.0%). English learners and students with disabilities have notably lower graduation rate, 57.1 percent, and 57.7 percent, respectively. The Healdsburg High School graduation rate (91%) is comparable to Windsor High School (95%) to the south, and substantially higher than Cloverdale High School (75%) to the north.

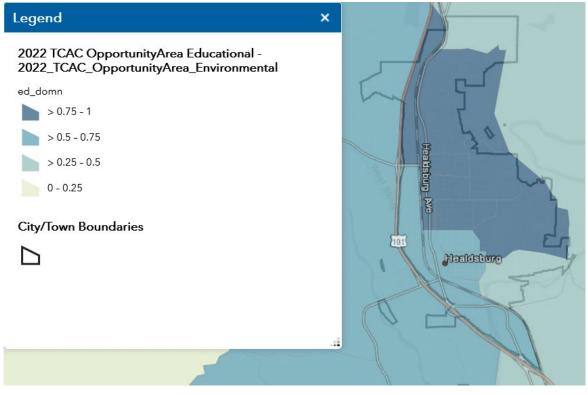
The District has experienced notable declines in public school enrollment over recent years. The California Education Data Partnership notes a steady 21.4% decline in cumulative district enrollment from 2017 to 2021, compared to a 10.5% countywide decline over the same period. The State of Housing in Sonoma County report identifies Healdsburg as having the largest numerical decline countywide in households with children, as 1100 fewer Healdsburg households included children in 2019 than in 2000. Healdsburg's decline is reflected in Sebastopol (the highest percentage loss and 1000 fewer homes with children in 2019), whereas Windsor noted an increase from 74% to 79%. This decline has been linked to the prohibitively high cost of housing for families in Healdsburg and was noted by the Housing Element Work Group (HEWG) in its identification of *lack of affordable units appropriately sized for large households* as a contributing factor to fair housing issues.

2021 TCAC Opportunity Areas Education Scores provides an index for measuring the level of educational outcomes within census tracts. The higher the score, the more positive the outcomes. All census tracts that intersect Healdsburg show mostly positive education outcomes across the City (**Figure 18**). The State of Housing in Sonoma County 2022 report notes that Healdsburg has among the highest graduation rates in the County at above 40 percent, along with Sebastopol, Sonoma, and Petaluma. In the 2019 American Community Survey, greater disparities were reported in four-year college graduation rates (35.4% and 51.0%) than graduate education rates (14.8% and 17.7%) when comparing the City's central and eastern Census tracts, respectively. The northern Census tract was between the two on four-year college rates (44.6%) yet had the lowest graduate education rate (14.4%). These are all comparable to or higher than countywide figures of 37.8% bachelor's degree attainment and 14.6% graduate degree attainment.

¹⁷ California Department of Education, School Dashboard Additional Reports and Data



Figure 18: TCAC Opportunity Areas (2022) Education Score by Tract in Healdsburg



Source: https://belonging.berkeley.edu/2022-tcac-opportunity-map

Access to Healthy Environment

In February 2021, the California Office for Environmental Health Hazard Assessment (COEHHA) released the fourth version of CalEnviroScreen, a tool that uses environmental, health, and socioeconomic indicators to map and compare community environmental scores. A community within the 75th percentile or above is one with higher levels of pollution and/or has other negative environmental traits and is considered a "disadvantaged community." All census tracts within Healdsburg fall between the 21st and 50th percentile and therefore do not contain any Disadvantaged Communities by COEHHA metrics.







Source: CalEnviroScreen 4.0 – Feb 2021 Update

The California Healthy Places Index (HPI) combines 25 community characteristics like access to healthcare, housing, education, and more, into a single indexed "HPI" score. The healthier a community, the higher the HPI score. The HPI applies a positive frame focusing on assets a community has have they can build on, rather than what is lacking. According to this index, Healdsburg has healthier clean environment conditions than 87.0 percent of other California Cities and Towns.

Of the factors that make up the Clean Environment score, the Diesel PM indicator, which represents the average daily amount of particulate pollution from diesel sources, ranks the lowest. The three other indicators, Drinking Water Contaminants, Ozone, and PM 2.5, rank within the 75th and 100th percentile suggesting relatively healthy outcomes in those areas of environmental health.



Figure 20: California Healthy Places Index, Healdsburg



^

This City / Town has healthier clean environment conditions than **87.0%** of other California Cities / Towns.

Indicator	Value	Percentile Ranking
Diesel PM	0.193 kg/day	18.7
Drinking Water Contaminant	s 263	88.5
Ozone	0.038 ppm	84.7
PM 2.5	6.57 μg/m³	79.9

Source: The California Healthy Places Index (HPI), Public Health Alliance of Southern California

Transportation Opportunities

Public transit is of paramount importance to households affected by low incomes and rising housing prices. Public transit should link lower-income persons, who are often transit dependent, to major employers where job opportunities exist. Access to employment via public transportation can reduce welfare usage rates and increase housing mobility, which enables residents to locate housing outside of traditionally lower- and moderate-income neighborhoods. The lack of a relationship between public transit, employment opportunities, and affordable housing may impede fair housing choice because persons who depend on public transit will have limited choices regarding places to live. In addition, elderly and disabled persons also often rely on public transit to visit doctors, go shopping, or attend activities at community facilities. Public transit must provide a link between job opportunities, public services, and affordable housing to help ensure that transit-dependent residents have adequate opportunity to access housing, services, and jobs.

Healdsburg currently lacks extensive access to major public transit when compared to jurisdictions throughout the greater Bay Area, and 0.7% of the workforce lives in a household without access to a motor vehicle according to the 2021 American Community Survey. **Figure 25** and **Figure 26** in the Economic Devlopment and Access to Jobs section provide further context on jobs proximity measured by commute time and availability of jobs within 45 minutes of transit. These data reflect that Healdsburg has among the best transportation access to employment in Sonoma County despite growing transit network capacity.

Sonoma Marin Area Rail Transit (SMART) is in the process of expanding its current light rail route from the Larkspur Ferry Terminal to the Sonoma County Airport. Litigation contesting the eligibility



of local ballot measure funding to fund the northern extension was dismissed by the California Supreme Court in February 2023, and SMART is pursuing Transit & Intercity Capital Rail (TIRCP) and other State funds to finance the planned extension. Contingent upon successful funding, SMART estimates completion of service to Windsor in 2025 and Healdsburg in 2026.Sonoma County Transit (SCT) provides public transportation services to the City of Healdsburg and other jurisdictions within the County (**Figure 22**). Beginning July 2018, the City of Healdsburg began offering free rides on SCT's Route 67 "Healdsburg Shuttle" and a volunteer drive program for older adults.¹⁸ SCT's Route 60 runs along Highway 101 and connects Healdsburg residents to Santa Rosa, Windsor, and Cloverdale.

SCT supports the needs of the disabled community by ensuring that all bus lines are accessible through wheelchair lifts, with at least two on each bus. In addition, the agency offers half-priced fares to youth between the ages of five and 18, senior passengers 65 years and over, Medicare card holders, children under the age of five, U.S. veterans, college students, and disabled passengers with identification.

The County of Sonoma partners with several public and nonprofit agencies to provide senior transportation support. This includes the Medical Transportation Management (MTM), Non-Emergent Medical Transportation (NEMT), Sonoma County Area Agenda on Aging, Center for Volunteer and Nonprofit Leadership, and others.

The California Health Places Index (HPI) uses Active Commuting and Automobile access as indicators of healthy transportation conditions in a jurisdiction. The City of Healdsburg has healthier transportation conditions than 94.0% other California cities according to this index. 96.6 percent of the local population has automobile access and 10.5 percent of the population actively commute.

Figure 21: California Healthy Places Index: Transportation in Healdsburg



This City / Town has healthier transportation conditions than **94.0%** of other California Cities / Towns.

Indicator	Value	Percentile Ranking
Automobile Access	96.6%	63.4
Active Commuting	10.5%	84.9

Source: The California Healthy Places Index (HPI), Public Health Alliance of Southern California

¹⁸ <u>City of Healdsburg website, "Transportation Options"</u>



Sonoma County Transportation Authority (SCTA) and the Regional Climate

Protection Authority (RCPA) outline current and future options for public transit in their Comprehensive Transportation Plan, Moving Forward 2050. This public document is updated every five years to ensure the plan is relevant and meeting community needs. The City of Healdsburg is represented on the SCTA/RCPA Board of Directors and contributes to these regular updates. In the most recent update, released in September 2021, SCTA outlines "Equity Priority Communities" and "2020 Caltrans Active Transportation Program Disadvantaged Communities." Between 2006 and 2009, an Equity Priority Community was identified in Healdsburg along Highway 101.

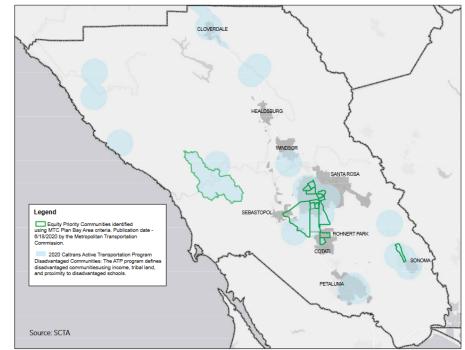


Figure 22: Sonoma County Equity Priority Communities

Source: Sonoma County Transportation Authority

According to the same report, three cities in Sonoma County have been recognized as Bicycle Friendly Communities by the League of American Cyclists. The City of Healdsburg has been recognized as a bronze level Bicycle Friendly Community since 2014. Additionally, the first bike share program in the county was piloted in Healdsburg from 2018 to 2020 with about 30 pedal bicycles. The pilot program folded due to bankruptcy of the initial provider, Zagster, and in 2022 the City allocated \$290,000 to reboot the program with Class 1 pedal-assist electric bikes in partnership with the micro-mobility provider Bird.

The City received an \$11.8 million funding award for the Healdsburg Avenue Complete Streets Project in the 2023 Regional Competitive Active Transportation Program (rATP). This project has an estimated completion of 2028 and will improve bike and pedestrian infrastructure in northern Healdsburg from Powell Avenue to the northern edge of City limits. The scope of the project was developed after a detailed community engagement process, including public workshops and outreach conducted specifically for the City's Spanish-speaking community. As envisioned in Housing Program 6.7, the project will span two Lower Resource Census Block Groups with among the City's highest concentration of Hispanic/Latino residents and renters, along with the City's



northerly Higher Resource Block Group with a majority of pipeline affordable

housing developments currently slated for the planning period. Each of these tracts have the most distal job proximity in the City, as noted in Figure 25, and the project will facilitate safer low-cost access to existing and planned transportation hubs.

Economic Development and Access to Jobs

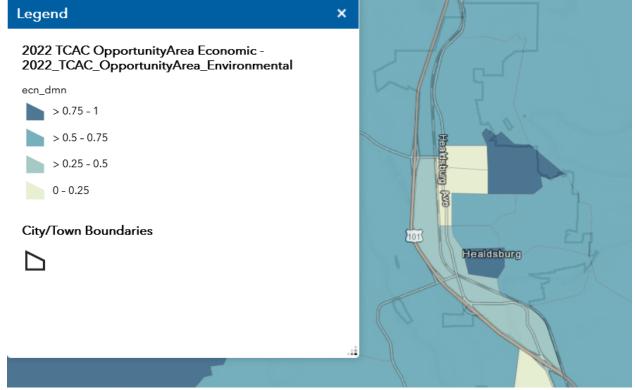
The TCAC Opportunity Maps accounts for regional differences in access to opportunities within census tracts. The Economic Domain factors in the following indicators to generate Economic Scores for each tract:

- Poverty: Percent of population with income level above 200% of federal poverty line
- Adult Education: Percent of adults with a bachelor's degree or above
- Employment: Percent of adults aged 20-64 who are employed in the civilian labor force or in the armed forces
- Job Proximity: Number of jobs filled by workers with less than a BA than all within a given radius of each census tract
- Median Home Value: Value of owner-occupied units

There is a range of economic outcomes within the census tracts that intersect Healdsburg. Lower scores can be found within the tract on the western side of the City adjacent to Highway 101 as well as in block groups adjacent to Healdsburg Avenue from Grant Street to Terrace Boulevard. Median incomes reported in the 2019 American Community Survey were \$34,926 in the Central Healdsburg tract, \$41,770 in the eastern tract, and \$42,060 in the northern tract (inclusive of peripheral areas outside of City limits).



Figure 23: TCAC Opportunity Areas (2022) Economic Score Map of Healdsburg



Source: 2022 HCD/TCAC Opportunity Area Maps: Economic

According to the U.S. Census Bureau, there were 6,880 jobs in the City of Healdsburg in 2019, most of which are concentrated in the western part of the City along Highway 101. Accommodation and Food Services industry employed the highest number of individuals (20.9%) followed by Health Care and Social Services (12.3%) and Retail Trade (12.3%).

Adequate access to FDIC-regulated banks reduces the likelihood of discrimination in lending and credit services as well as predatory lending practices that further racial and socio-economic inequities. Healdsburg has one of the smallest populations of all jurisdictions in Sonoma County as well as one of the smallest proportions of minority populations. The City has eleven FDIC-regulated full-service brick and mortar bank branches (**Table 26**), among the most per capita in Sonoma County.

Municipality	Population	% Minority Population	FDIC-Regulated Full-Service Brick and Mortar Branches	FDIC-Regulated Non-Brick and Mortar Branches
Santa Rosa, CA	178,127	48.8%	38	11
Petaluma, CA	59,776	33.4%	10	1
Rohnert Park, CA	44,390	41%	8	0
Windsor, CA	26,344	46.7%	4	2
Healdsburg, CA	11,340	36.8%	11	0

 Table 26: FDIC-Regulated Bank Branches by Sonoma County Municipality



Sonoma, CA	10,739	27.9%	11	0
Cloverdale, CA	8,996	42.2%	2	0
Cotati, CA	7,584	25.9%	1	0
Sebastopol, CA	7,521	21.7%	6	0
County Total	488,863	40.6%	99	13

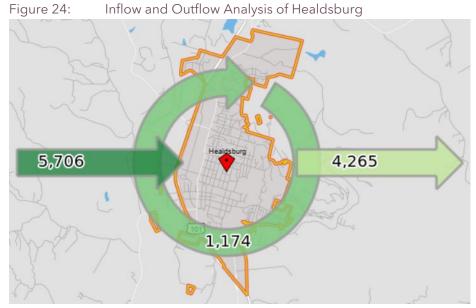
Source: All FDIC-related data derived from: Federal Deposit Insurance Corporation, 2022 https://www7.fdic.gov/idasp/advSearch_warp_download_all.asp?intTab=1.

Employment Inflow/Outflow analyses from the U.S. Census Bureau OnTheMap tool highlight the movement of workers commuting into and out of Healdsburg (**Figure 24**). This data is useful for understanding the ratio between residents who are employed within the City and those who are employed outside of the City as well as how many workers are commuting from outside of the City for employment opportunities.

Healdsburg is a net importer of workers from outside city limits. Out of the 6,880 individuals employed in Healdsburg, 5,706 (82.9%) live outside the city while 1,174 (17.1%) work and live inside the city. Of the 5,439 workers living in Healdsburg, 4,265 (78.4%) are employed outside and 1,174 (21.6%) work and live inside of the City. Firms headquartered within City limits may also include workers in the local vicinity (for example, wineries with tasting rooms in the City and vineyards throughout the Dry Creek and/or Alexander Valley), and specific programmatic commitments are included within the housing strategy to address the housing needs of farmworkers.

Vehicle miles traveled (VMT) analysis conducted by Sonoma County Transportation Agency (SCTA) in 2020 determined that nearly the entirety of the City is "pre-screened" from requiring a VMT analysis for new development under the rules of SB 743 (2013), indicating that those areas have a residential VMT per capita of at least 15% below the countywide average. Healdsburg has the highest proportion of pre-screened City land area among Sonoma County jurisdictions. Census data further indicates that Healdsburg residents have the shortest mean travel time to work of any Sonoma County jurisdiction, with an average commute of 21.3 minutes. This is compared with a 29.5 minute average statewide, 25.8 minutes for Sonoma County as a whole, and a countywide high of 31.3 minutes in Petaluma.

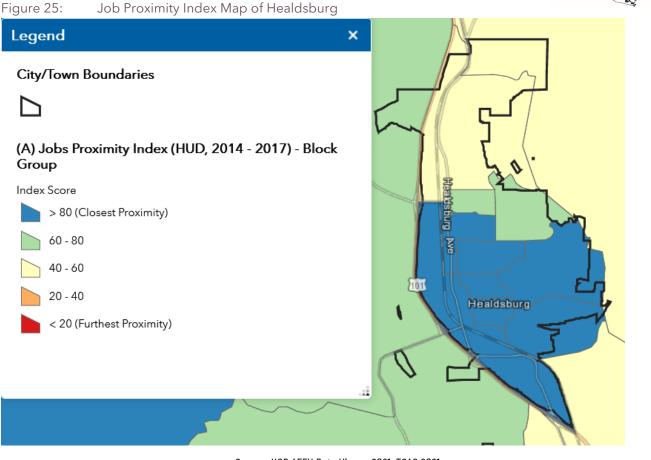




*Note: Arrows do not indicate directionality of worker flow Source: OntheMap.ces.census.gov, 2019

The U.S. Department of Housing and Urban Development (HUD) Jobs Proximity Index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a CBSA, with larger employment centers weighted more heavily. The higher the index value, the better the access to employment opportunities for residents in a neighborhood. All block groups in Healdsburg have relatively strong job proximity according to 2014 – 2017 data (**Figure 25**).



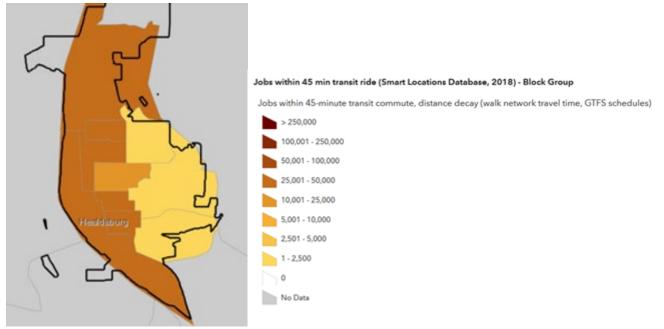


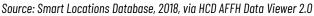
Source: HCD AFFH Data Viewer 2021, TCAC 2021

Further information on the proximity of jobs in Healdsburg provided by the Smart Locations Database refers to the number of jobs available within a 45-minute transit ride (**Figure 26**). Under this metric, all westerly block groups within Healdsburg have access to up to 50,000 jobs within a 45minute ride. These figures are among the highest in Sonoma County, surpassed only by two block groups in central Santa Rosa (Burbank Gardens and South Park). The majority of Healdsburg's housing sites identified in the 6th Cycle Housing Element are located within these block groups.



Figure 26: Jobs within 45 minute transit ride, Healdsburg





Measuring the ratio of jobs-to-housing can offer insight into how well cities are balancing the two, and although imperfect, ratios that are too skewed in either direction can indicate an opportunity for action. **Figure 27** ranks jurisdictions in Sonoma County based on its respective jobs-to-housing ratio. The higher the ranking, the stronger the jobs-to-housing ratio. Healdsburg's job-to-housing ratio is one of the top four strongest of all the Sonoma County jurisdictions with jobs-to-housing ratios above 1.3 (i.e., 1.3 jobs for every home built). The jobs-to-housing ratio in these jurisdictions rank well below the average Bay Area jurisdiction given that cities like San Francisco and San Jose produce more than three jobs for every permitted home according to the State of Housing in Sonoma County 2022 report.



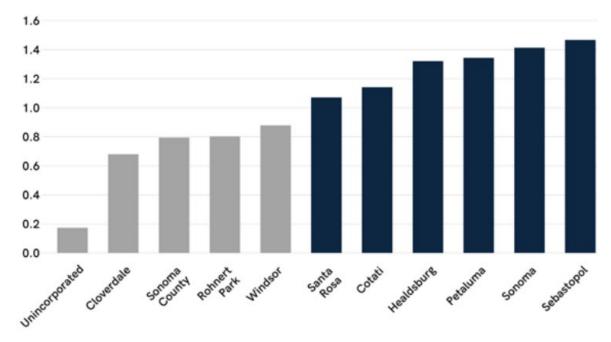


Figure 27: Ratio of All Jobs to Homes in Sonoma County Jurisdictions

Source: California Department of Housing and Community Development, Annual Progress Reports, Generation Housing

Disproportionate Housing Needs, Including Displacement

Disproportionate housing needs refer to a condition(s) in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing needs when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions. This section analyzes these four housing needs categories as they apply in the City of Healdsburg.

Cost Burden and Severe Cost Burden

Housing cost burden is commonly measured as the percentage of gross income spent on housing, with 30 percent threshold for 'cost burden' and 50 percent the threshold for 'severe cost burden.' A lower-income household spending the same percent of income on housing as a higher-income household is therefore more likely to experience a 'cost burden.' Some of the implications of high-cost burden can include housing-induced poverty, where overspending on housing leaves households little financial resources for other expenditures, and reduced savings which can impact asset accumulation.

While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. Like most places, renters are more cost-burdened than homeowners in the City of Healdsburg with 23 percent of renters experiencing cost burden (i.e., spending 30% to 50% of their



income on housing costs) and 25 percent of renters experiencing severe cost burden. These rates are both 14 percent for homeowners (**Figure 28**).

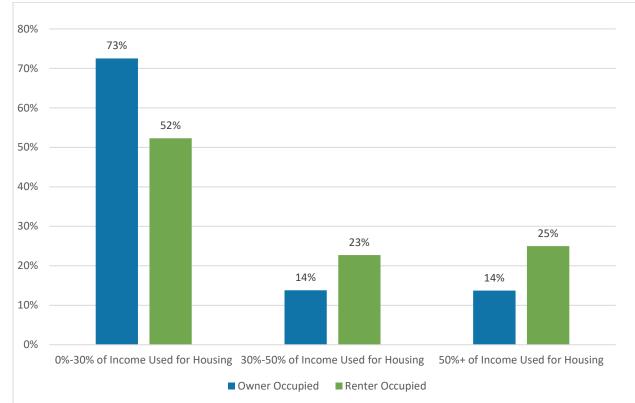


Figure 28: Burden by Tenure in Healdsburg



A community's lowest income earners are most likely to experience cost burden and as a result are at the greatest risk of housing insecurity. Over half of extremely low-income households in Healdsburg are severely cost-burdened and almost all are cost-burdened to some extent. The proportion of severely cost-burdened households becomes exponentially smaller as income increases (**Figure 29**). Within highest income households, only 11 percent are cost-burdened and less than one percent are severely cost-burdened.



Figure 29: Cost Burden by Income Level in Healdsburg

Source: Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Compared to Sonoma County and California, renter- and owner-occupied households in Healdsburg experience housing cost burdens at slightly lower rates. Healdsburg also has the greatest share of those who can afford housing (i.e., spend between zero and 30 percent on housing costs).



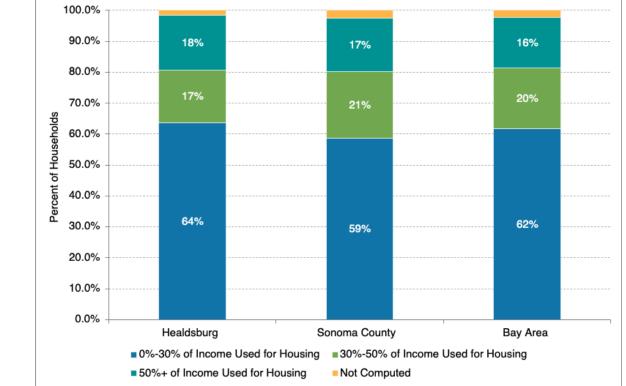
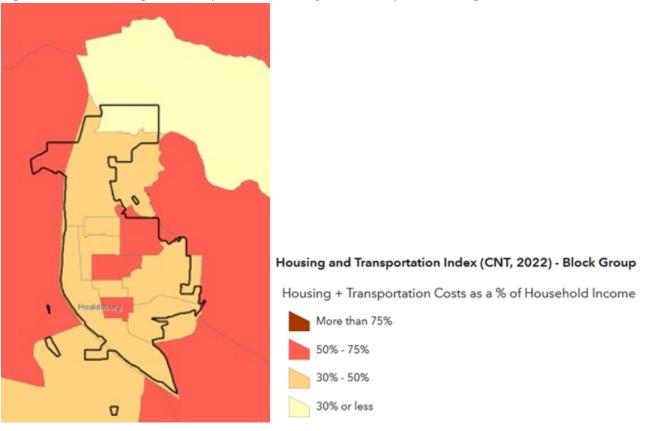


Figure 30: Cost Burden Severity in Healdsburg, Sonoma County, and California

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091

Transportation and housing are among the highest regular costs of living that households can incur, and in conjunction they can impact a wide range of households with various incomes and housing tenure (both renters and owners). **Figure 31** reflects block groups by average housing and transportation costs as a percentage of household income. Most of the City averages 30-50% of household income spent on housing and transportation, including most of the areas designated low-resource. Three block groups are reflected as spending an average of 50-75% of household income on housing and transportation, all located in block groups designated moderate-resource (-023) and high-resource (-031, -034).





Housing and Transportation Index by Block Group, Healdsburg

Source: AFFH Data Viewer 2.0

<u>Overcrowding</u>

Figure 31:

Households having more than 1.01 to 1.5 persons per room are considered overcrowded and those having more than 1.51 persons per room are considered severely overcrowded. The person per room analysis excludes bathrooms, porches foyers, halls, and half-rooms. Residential overcrowding reflects demographic and socioeconomic conditions as it has been correlated with increased risks of contracting communicable diseases, higher rates of respiratory illness, and greater vulnerability to being homeless.

Older-adult immigrant and recent immigrant communities, families with low incomes and renteroccupied households are more likely to experience household crowding. A form of residential overcrowding known as "doubling up" is co-residing with family members or friends for economic reasons. Doubling up is the most reported living situation for families and individuals before the onset of homelessness.¹⁹

In Healdsburg, rates of overcrowding are highest for Hispanic households. Asian households experience the lowest rates of overcrowding, followed by White households. This is likely explained by the overall low number of Asian households in Healdsburg. Hispanic households experience higher rates of overcrowding than the city average. As with the data discussed for disability status in

¹⁹ California Department of Health and Human Services



section 4.5.3, age may play some role in explaining racial and ethnic disparities in overcrowding. Relatively younger adults are more likely to have minor children in their households, which, in turn, increases the likelihood of overcrowding. Conversely, older adults are more likely to reside in one- or two-person households.

Race or Ethnicity	Total Households	% in Units with 1.00 or Fewer Occupants Per Room	% in Units with 1.01 or More Occupants Per Room	
Total Non- Institutionalized Population	4,635	97.78%	2.22%	
White Alone, Not Hispanic or Latino	3,528	99.63%	0.37%	
Black or African American Alone	0	N/A	N/A	
Asian Alone	59	100.00%	0.00%	
Hispanic or Latino (of any race)	977	90.79%	9.21%	
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014				

Table 27:	Occupants Per Room for Households by Race and Ethnicity in Healdsburg
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Data concerning severe overcrowding by race and ethnicity is not available, but there is data on severe overcrowding by housing tenure, a factor that is often correlated with race and ethnicity. In Healdsburg and the region, White and Asian households are relatively more likely to be homeowners while Black and Hispanic households are relatively more likely to be renters. As the data above shows, renter-occupied households are much more likely to be subjected to severe overcrowding than are owner-occupied households.

Table 28:Severe Overcrowding for Households by Tenure in Healdsburg

Tenure	Total Households	% in Units with 1.50 or Fewer Occupants Per Room	% in Units 1.51 or More Occupants Per Room	
Owner-Occupied	2,803	99.11%	0.89%	
Renter-Occupied	1,832	97.98%	2.02%	
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)				

The rate of overcrowding in Healdsburg (2.2%) is lower than the rates of both the county (5.1%) and the state (6.9%).

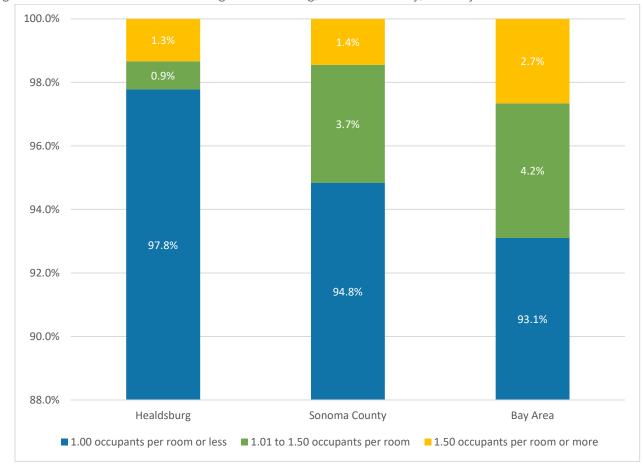
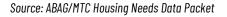


Figure 32: Rates of Overcrowding in Healdsburg, Sonoma County, and Bay Area



Substandard Housing

The American Community Survey includes questions that are used to indicate 'substandard housing' as defined by the Code of Federal Regulations (Title 24, § 5.425). In 2010, the ACS reported that approximately 2,800 housing units in the county are considered severely substandard because they lacked either complete plumbing facilities or complete kitchens. Together, assuming no overlap, these units represented 1.6% of the county's occupied housing units. Sixty-four percent of substandard units in the county are renter occupied. For the state overall, 1.5% of occupied housing units are considered substandard, which mirrors the proportion in Sonoma County.

In Healdsburg, 1.2% of households experience a lack of amenity (kitchen), and all are rentals.



Table 29: Su	ubstandard Housing	Issues in Healdsburg
--------------	--------------------	----------------------

Building Amenity	Owner	Renter		
Kitchen	0.0%	1.2%		
Plumbing	0.0%	0.0%		
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Tables B25053, B25043, B25049				

Taken together, Table 30 and Table 31 show, first, that very few households in the PUMS that includes Healdsburg reside in housing that ACS data shows to be physically substandard, i.e., lacking complete plumbing and/or kitchen facilities. It should be noted that ACS data does not reflect whether housing is subject to other substandard conditions, like mold, nonfunctioning utilities, and vermin infestation. Second, the tables show that, to the extent that any group is more likely to live in housing lacking such facilities, Asian and White households lack such facilities at higher rates than Black and Hispanic households that have lower household incomes.

Table 30: Plumbing Facilities by Race and Ethnicity, Public Use Microdata Area - Sonoma County (North) - Windsor Town, Healdsburg & Sonoma Cities

Race or Ethnicity	Total Population	% in Units That Lack Complete Plumbing Facilities	% in Units That Have Complete Plumbing Facilities	
White Alone*	150,764	0.29%	99.71%	
Black or African				
American Alone	1,208	0.00%	100.00%	
Asian Alone	4,513	1.42%	98.58%	
Hispanic or Latino				
(of any race)	38,872	0.21%	99.79%	
Source: 2015-2019 Public Use Microdata Sample (PUMS)				

Table 31: Kitchen Facilities by Race and Ethnicity, Public Use Microdata Area - Sonoma County (North) -Windsor Town, Healdsburg & Sonoma Cities

	0			
Race or Ethnicity	Total Population	% in Units That Lack Complete Kitchen Facilities	% in Units That Have Complete Kitchen Facilities	
White Alone*	150,764	0.59%	99.41%	
Black or African				
American Alone	1,208	0.00%	100.00%	
Asian Alone	4,513	1.13%	98.87%	
Hispanic or Latino				
(of any race)	38,872	0.31%	99.69%	
Source: 2015-2019 Public Use Microdata Sample (PUMS)				

se Microdata Sample (PUMS)

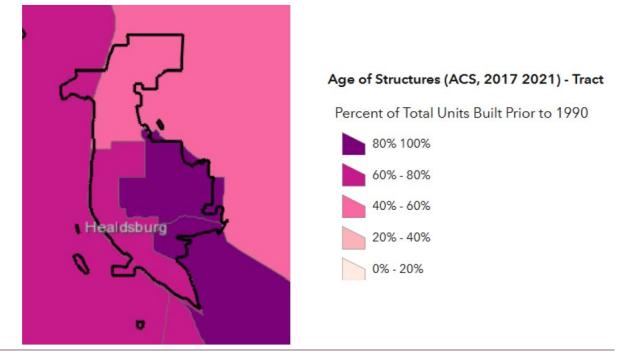
*Note: The White alone population in this table is not disaggregated to exclude people who identify as both Hispanic or Latino and White.



The condition of structures can be further determined by the age of

structures. **Figure 33** indicates that the City's easterly tract contains the highest proportion of units built prior to 1990 at 88.5%, followed by the central tract (62.4%) and northern tract (54.3%).

Figure 33: Age of Structures by Census Tract



Source: American Community Survey, 2017-2021 via HCD AFFH Data Viewer 2.0



<u>Homelessness</u>

Those experiencing homelessness include individuals or families who lack or are perceived to lack a fixed, regular, and adequate nighttime resident, or who have a primary nighttime resident in a shelter, on the street, in a vehicle, or in an enclosure or structure that is not authorized or fit for human habitation. People experiencing homelessness have the most immediate housing needs of any population group and are most vulnerable to violence and criminalization due to their unhoused status.

California accounts for almost half (47%) of the country's homeless population. Sonoma County has the fourth highest number of homeless individuals for large suburban areas in the United States.²⁰ The 2022 Sonoma County Point-In-Time Count reported 2,893 individuals experiencing homelessness, a five percent increase in homeless persons since 2020. Of those experiencing homelessness in the County, the majority (63%) are white, and a majority (63%) were men. Between 2020 and 2022, the sheltered homeless population decreased and the unsheltered homeless population increased.²¹

As of 2022, the primary causes of homelessness in Sonoma County are job loss (23%),, argument with family or friend (11%), eviction (10%), and divorce/separation/breakup (10%). Obstacles to obtaining permanent housing include unaffordable rent (63%), lack of job or insufficient income (45%), no money for moving costs (29%), lack of housing availability (19%), and lack of transportation (23%).²² Since 2017, homelessness counts in the 18 to 30 age groups and the 41 to 50 age group have decreased, with increases in the age groups from 31 to 40 years and older 50 years.

Countywide, 25 percent of the homeless population is Hispanic/Latino, slightly lower than the 26 percent of County residents that are Hispanic/Latino. Black/African American and American Indian/Alaska Native residents experience disproportionate rates of homelessness, making up 8% and 9% of the homeless population and 1.5% and 0.6% of the County population, respectively.

Healdsburg is one of a growing number of smaller cities in Sonoma County that is facing the need to increase supply of affordable housing, permanent supportive housing, and transitional housing. The 2022 Point-In-Time Count conducted in early 2022 identified 97 homeless persons in Healdsburg, which represents a decrease from 2018, but an increase from 2019 and 2020 (**Table 32**). The City has responded to this need with concrete action, including the L&M Village interim housing (shelter) for people experiencing homelessness opened in 2023.

	2018	2019	2020	2022
Unsheltered	81	64	69	97
Sheltered	48	9	0	0
Total	129	73	69	97
Source: 2020 and 2022 Sonoma County Homeless Census Comprehensive Reports				

 Table 32:
 Total Number of Homeless Persons by Shelter Status in Healdsburg

²⁰ County of Sonoma Community Development Commission "Project Homekey" page

²¹ "2022 Sonoma County Homeless Census Report"

²² 2022 Sonoma County Homeless Census Comprehensive Report



<u>Displacement</u>

Shifts in neighborhood composition are often framed and perpetuated by established patterns of racial inequity and segregation. Neighborhood change is influenced by three processes: movement of people, public policies, and investments, such as capital improvements and planned transit stops, and flows of private capital.²³ These processes can disproportionally impact people of color, as well as lower income households, persons with disabilities, large households, and persons at-risk or experiencing homelessness. They can also displace people to the extent of homelessness.

For the purposes of this assessment, displacement is used to describe any involuntary household move caused by landlord action or market changes. Displacement is fueled by a combination of rising housing costs, rising income inequality, stagnant wages, and insufficient market-rate housing production.²⁴ Decades of disinvestment in low-income communities, couples with investor speculation, can result in a rent gap or a disparity between current rental income and the land, and potentially achievable rental income if the property is converted to its most profitable use.

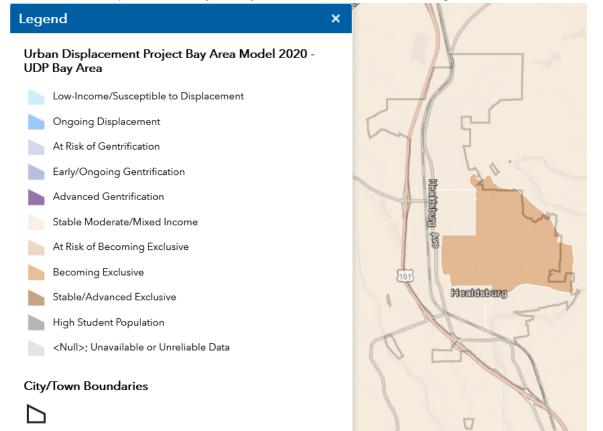
In 2015, researchers at the University of California Berkeley's Urban Displacement Project (UDP) collaborated with eh San Francisco Mayor's Office of Housing and Community Development to better understand and predict where gentrification and displacement was happening and would likely occur in the Bay Area. While most of Healdsburg was determined to be "Stable Moderate/Mixed Income," there is one census tract on the eastern side of the City that is "Becoming Exclusive" according to this research (**Figure 34**). This means that in 2018, the tract was characterized as moderate, mixed moderate, mixed high, or high-income and the median income was higher in 2018 than it was in 2000. Additionally, housing was found to be affordable only to middle, high, mixed moderate, and mixed high-income households, there was a rapid increase in housing costs, an absolute loss of low-income households between 2000 and 2019, a declining low-income in-migration rate between 2012 and 2018.

²³ Zuk, M., et al. (2015). Gentrification, Displacement, and the Role of Public Investment. Federal Reserve Bank of San Francisco, 32.

²⁴ Been, V., Ingrid, E., & O'Regan, K. (2019). Supply Skepticism: Housing Supply and Affordability. Housing Policy Debate, 29(1), 25-40.



Figure 34: Urban Displacement Project May Area Model 2020 - Healdsburg

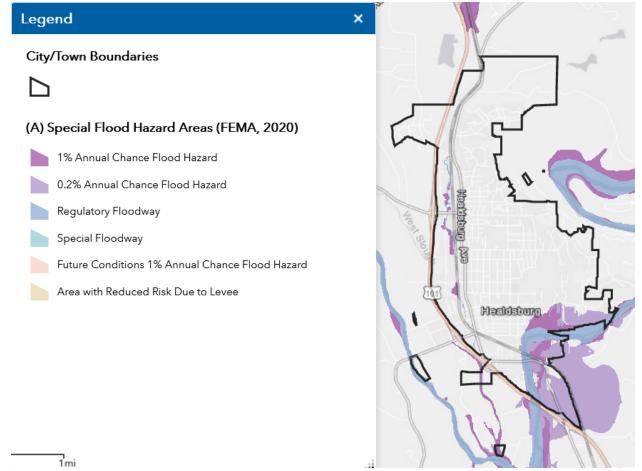


Source: Chapple, K., & Thomas, T., and Zuk, M. (2021). Urban Displacement Project website. Berkeley, CA: Urban Displacement Project.

Figure 35 identifies census tracts that are at risk of disaster-driven displacement from flooding. The Special Flood Hazard Areas in Healdsburg are concentrated in the southeastern corner of the City, with one thin segment running parallel to the western city limit line and Highway 101.



Figure 35: FEMA Special Flood Hazard Areas in Healdsburg (2020)



Source: Flood Hazard Areas from the Flood Insurance Rate Map created by the Federal Emergency Management Agency (FEMA)



Fair Housing Goals and Priorities Based on Identified Contributing Factors Summary

 Table 33:
 Fair Housing Issues, Contributing Factors, and Programs & Actions

Fair Housing Issue	Contributing Factors	Meaningful Action
Constrained supply of affordable & attainable housing	Aging population excludes younger population who need help to enter the housing market	 Housing Program 4 - Expanding Housing Development Capacity
		 Housing Program 5 - Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
		 Housing Program 7 - Removing Housing Constraints
	Lack of affordable, accessible housing in a range of sizes	 Housing Program 2 - Preserving Existing Housing and Neighborhoods
		 Housing Program 5 - Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
		 Housing Program 8 - Extremely Low-Income, Homeless, and Special Needs Housing
	Displacement of residents due to economic pressures (priced out, etc.)	 Housing Program 2 - Preserving Existing Housing and Neighborhoods
		 Housing Program 5 - Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
		 Housing Program 6 - Affirmatively Furthering Fair Housing
	Lack of affordable units appropriately sized for large families	 Housing Program 3 - Sustaining and Expanding Housing Sites
		 Housing Program 5 - Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households



Fair Housing Issue	Contributing Factors	Meaningful Action
		 Housing Program 8 - Extremely Low-Income, Homeless, and Special Needs Housing

City of Healdsburg Housing Element Update 2023-2031

Adopted Housing Element May 1, 2023

Housing Element



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Housing Element



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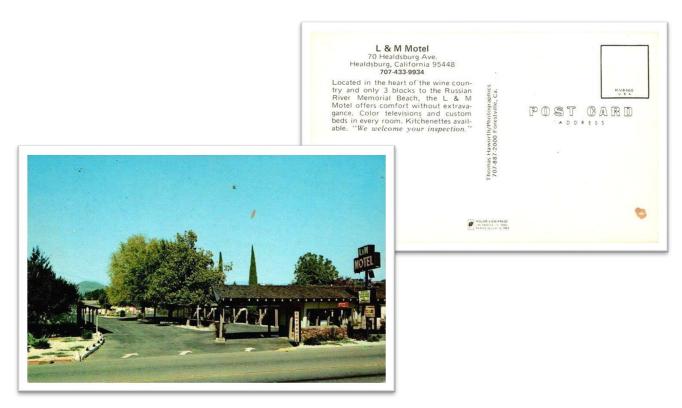
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Housing Element



The Housing Element of the General Plan is a detailed statement of the housing goals, policies, programs, and quantified objectives for the City. It additionally provides supporting information related to the provision of housing for existing and future residents of the City.

State Planning Law (Government Code Section 65580 et seq., as amended) requires that the Housing Element be updated and certified by the State Department of Housing and Community Development (HCD) every eight years. The existing Housing Element was adopted in 2015 and will expire in 2023; this Housing Element Update, referred to as the '6th Cycle Housing Element Update' will be in effect from 2023 through 2031.



With State funding, the City of Healdsburg acquired the L&M Motel. The L&M Village, which is a partnership between the City of Healdsburg and Reach for Home, will create 22 units for the chronically homeless.



The City of Healdsburg has made affordable housing a priority as evidenced through the accomplishments of the 5th Cycle of RHNA and our current positioning to meet the goals of the 6th Cycle RHNA. The 5th Cycle accomplishments reflect an intentional approach to solve the ever-increasing need to build more housing to support the workers and residents of Healdsburg.

Recognizing that a healthy community is one that supports housing opportunities for all incomes, the City has leveraged its resources to advance the production of affordable housing opportunities. During the past eight years, the City's deed-restricted affordable housing inventory increased to represent more than 10% of the City's entire Housing stock, yet the community has asked for more to be done.

We have gone beyond the State mandated goals for Healdsburg because the need of our community is not formulaic; it is a symphony in need of a conductor with a fined tuned ear calibrated to the heartbeat of our City. Even in the face of fires, floods, droughts, and pandemics, the City has demonstrated its resiliency and has orchestrated its responses to serve those most vulnerable with the support of the community.

In the same spirit, the community is what drives our housing. Our Community Housing Committee, a group of volunteers, created a Housing Action Plan in 2018 that called for higher production, better policies and innovative strategies to meet our housing needs. Juxtaposed with our State mandated housing goals, the City is proud to highlight some of our major accomplishments:

- We passed Measure S, which provides 2% of Transient Occupancy Tax dedicated to affordable housing, now with annual revenues of more than \$1M.
- We passed Measure P and Measure H, which allow for middle-income deed restricted housing, either for sale or for rent, to be built outside of our voter-initiated Growth Management Ordinance.
- We leveraged hotel developments to negotiate for the inclusion of affordable housing to house the workforce that operates these world class destinations including:
 - 1) Montage Healdsburg
 - 2) Hotel Trio
 - 3) The Mill District
 - 4) The North Village
- We protected our naturally occurring affordable housing stock from market rate conversion by purchasing and rehabilitating 39 units across three properties and further leveraging them by master leasing 10 units for Permanent Supportive Housing.
- We leveraged two City-owned properties for affordable housing which currently are in the planning process for 168 affordable housing units.
- We built a navigation center at the City owned Victory Studios and Apartments that house 11 families and/or individuals that were formerly experiencing homelessness.
- We applied for and received over \$7M in State Project Homekey funding to open the first interim housing program in Northern Sonoma County to house those experiencing chronic homelessness.
- We have achieved functional zero in housing displaced families and have invested heavily in prevention programs to offset evictions, including expanding upon rental relocation assistance programs beyond the provisions of AB 1482.
- Most recently, the City Council approved the establishment of a Housing Department and authorized a new position within the Department to carry out the work that still needs to be done for our community.

While the accomplishments of the past mark milestones of success, the challenges of tomorrow are around the corner. In that spirit, the Housing Element Work Group will be continuing their work to address some of the most pressing challenges that are unique to Healdsburg. We see the submission of this housing element as a continuation of the community and political will to ensure Healdsburg is inclusive, equitable, and affordable to those that make it the very place we love to live.



1. Introduction and Summary

The Housing Element of the General Plan is a detailed statement of the housing goals, policies, programs, and quantified objectives for the City. The Element is based on a comprehensive technical assessment of existing housing policies and programs; current and projected housing needs, especially related to low-income households and special needs populations; an analysis of market, environmental, governmental, and other factors that constrain housing production; an assessment of fair housing; an inventory of sites available for housing development; and programs and policies that are intended to enhance housing production and improve access to housing.

The purpose of the Housing Element is to guide decision-making by elected and appointed officials. Specifically, the Housing Element sets forth how the City will address the need for housing, especially by low- and moderate-income families, and special needs families and individuals. The Housing Element also provides housing-related data and information to the public. This element contains:

- An assessment of housing needs in the City;
- An inventory of resources available to the City to meet these needs;
- The identification of constraints upon the maintenance, improvement, and development of housing for all income levels;
- A statement of the community's goals, quantified objectives, and policies related to the maintenance, improvement, and development of housing; and
- An eight-year schedule of actions the City is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

Housing Elements not only establish housing production goals and provide a framework for evaluating programs and policies, but much of the State's funding to build affordable housing is conditioned on a jurisdiction having a Housing Element that is certified by the State. Therefore, this document is a mandated necessity in addressing the critical housing shortage in California.

Housing Element Organization

The Housing Element is organized into four main sections

- Section 1 presents a profile of the Healdsburg community, introduces the overall Housing Element update effort, and provides a summary of housing needs and constraints, and a summary of the Fair Housing Assessment.
- Section 2 sets forth the City's Housing Strategy, which is comprised of the Goals, Policies, and Programs that it intends to implement over the next 8-year planning cycle. The City's Quantified Objectives are also included in this section.
- **Section 3** describes the City's plan to address its 6th Cycle RHNA.



Section 4 is the Technical Background Report, which provides

statutorily required data including an assessment of housing needs and programs, an analysis of non-governmental, governmental, and environmental constraints to affordable housing provision, a discussion of special needs populations, and an assessment of fair housing.

Given the detailed analysis and extensive outreach that goes into developing the Housing Element, some of the required information is provided in the following appendices:

- Appendix A. Review of 2014 Housing Element and Summary of 5th Cycle Accomplishments
- Appendix B. Summary of State Legislation
- Appendix C. ABAG Housing Needs Data Packet
- Appendix D. Community Engagement and Input
- Appendix E. Community Survey Results
- Appendix F. Pending, Approved, and Permitted Sites/Unit Detail
- Appendix G. Adequate Alternative Sites Checklists

Community Profile

The land now occupied by Healdsburg was once the center of the thriving indigenous Pomo culture that endured for thousands of years in peace and harmony with the bountiful, natural world. The Spanish Mission and Rancho period that followed during the 19th Century brought devastation to the Pomo culture following its defeat in war by the forces of General Mariano Guadalupe Vallejo. Rancho Sotoyome, encompassing nearly 50,000 acres of Alexander Valley and the Healdsburg area was granted to Don Enrique Domingo Fitch (Henry Delano Fitch) in 1841 by the Mexican government, introducing pastoral agriculture (cattle grazing, etc.) to the area. In 1856, Fitch's widow Josefa Carrillo de Fitch, auctioned part of the Rancho to pay property taxes imposed by the new Anglo County government. Harmon Heald, an Ohio businessman who had been squatting on Rancho Sotoyome since 1850, purchased 100 acres. Heald's small town of Healdsburg was incorporated as a California city in 1867.

Over the following decades, Healdsburg became the hub and commercial service center for a thriving agricultural economy that also included timber and mineral extraction (sand and gravel and geothermal resources) all accessing markets with the Northwestern Pacific Railroad Line that linked San Francisco Bay to Humboldt Bay (Eureka), assembled by the Southern Pacific Railway Company mainly to transport timber. Over the years agriculture production followed market trends and demands but centered on fruits including pears and prunes and grapes that thrived in the warm climate and rich alluvial soils of the Alexander and Dry Creek Valleys. Growth of the Bay Area in the post-World War II period led to urban expansion and growth in Sonoma County, including Healdsburg. By the 1970's concerns about urban growth led to adoption of General Plans by the County and cities that established urban boundaries and protected surrounding agricultural lands. Simultaneously, the wine industry was in the beginning stages



of what would be rapid growth in Sonoma and neighboring Napa County. Soon, the prunes and pears and other crops were being supplanted by wine grapes and the creation of numerous estate wineries.

During the past 40 years the City of Healdsburg has transformed from a small town serving the surrounding northern Sonoma County agriculture and other resource-based industries into a vibrant community and center of the County's wine industry, as well as an attraction for destinationbased tourism. During the past 40 years the City of Healdsburg has transformed from a small town serving the surrounding northern Sonoma County agriculture and other resource-based industries into a vibrant community and center of the County's wine industry, as well as an attraction for destination-based tourism. The growth of the County's wine industry, the City's charming downtown area surrounding a central plaza where award-winning

restaurants, destination-oriented retail, and wine tasting shops now dominate retail space, and its pleasant surrounding residential neighborhoods, protected by planning policies and ballot-based growth restrictions, have all contributed to this transformation.

By economic, fiscal, and quality of life measures, the City of Healdsburg has been highly successful -the vibrant and expanded retail uses, restaurants and lodging have created a stable and growing tax base for the City which supports high levels of municipal services to its residents. Increasing home values have led to substantial re-investment and improvement of the existing housing stock, new development including higher density housing and lodging, and revitalization of existing commercial buildings.

However, this success has created a housing market that has become unaffordable to long-term residents, families with young children, including the City's teachers, first responders, and agricultural and visitor-serving business workers who are increasingly displaced by increasing land prices driven by a supply constrained market. With a continuing decrease in working families and full-time residents, a variety of community demographic effects have set in including an overall aging of the population, a reduction in school-age population and attendance in local public schools, and a decrease in the percentage of Hispanic households, who have over the recent decades become the foundation of the local workforce serving agriculture, construction, retail, and lodging industries and still comprise over 30 percent of the City's population. Along with the reduction of working families able to afford living in Healdsburg comes a reduction of volunteers and support for community-based organizations and activities, and fewer young professional households, and fewer new (non-tourist oriented) employers in the town for lack of affordable housing for their workers.

During the 5th Cycle, the City's residents, the City Council, and City staff began responding to these challenges by expanding their efforts and financial support to increase the supply of housing of all types, including price-restricted affordable housing, moderate-income housing, housing affordable to middle-income families including young families, business owners, and local professionals, and homeless transitional housing. In this way, the City is trying to strike a balance between visitors and local residents and preserving Healdsburg's small town community character and community values.

Community Member Spotlight

Francisco



On a gentle fall morning, with leaves heavy in color dangling from the trees that precariously hold them from their inevitable spiraling tumble to the ground, Healdsburg begins its day. This day begins before the shops on the plaza open their doors, the restaurants fire up their grills, and the tourists from so many different places wake up in their hotels to begin their day and to enjoy the wonderful attractions that Healdsburg has to offer.

The workers of Healdsburg, the very backbone of our service-related industry, emerge from the blanket of cold air that is slowly warming up from the morning sun. They return to the linens that need to be washed, the menus that need to be cooked, the tables that need to be waited and they pick the grapes and make the wine that people travel to enjoy. They also teach our children, protect us from crime, and make this City a world-class destination.

Just feet away from City hall, dozens of workers stand outside the day-labor center, a simple construction trailer with picnic benches warmed by those waiting for employment. The cheerful banter, the layers of clothes that will be shed over the day as the sun warms, and the hand-packed lunches waiting to be eaten are a familiar sight to those who live here but are often not seen by those who visit.

The origins of Healdsburg, deeply entrenched in its agrarian history, are not unfamiliar with those that have worked the land for as long as one can remember. Yet, the hands that have worked these fields, built the hotels, and have tended to our thriving tourism business have been largely excluded from the success of their labor as evidenced by the cars arriving from other cities, where rent is more affordable.

On one such morning, our Housing Department visited these individuals and talked to them about their housing needs. Francisco, a gentleman in his 60's offered to step up to speak for the group. When asked what he would share about housing Francisco replied:

"Aquí en healdsburg la renta es muy caro. No puede uno sobrevivir bien. Tres o más personas tienen que vivir juntos para cubrir la renta. Desde la pandemia, se bajo mucho el trabajo." - Francisco

Translated: "Here in Healdsburg, the rent is very expensive. One cannot survive well. Three or more people need to live together to cover the rent. Ever since the pandemic, the amount of work has gone down."

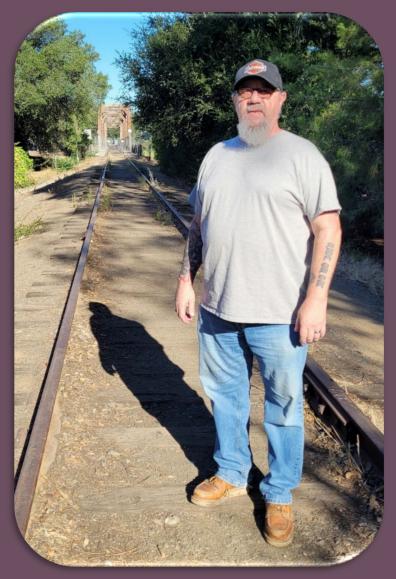
Five other gentlemen nodded in agreement, almost in unison, lending their support for the statement and making us acutely aware that this is a topic that has been of concern for a long time.

As Healdsburg becomes more and more attractive to those that want a second home or have an all-cash offer, it also becomes more difficult to house those that have made it such a welcoming place to visit.

The talk of a Housing Element, its data, charts, and studies seemed to fade away with the morning cold and morphed into what we need to hear the most: the voice of those we hope to serve through the goals and programs identified in this document. We take this as a reminder that our community has a tremendous responsibility to provide housing for those that serve our community on a daily basis.

Community Member Spotlight

Rick Cafferata



Rick Cafferata stands on the railroad tracks near the Russian River. On the other side of the tracks many homeless residents live in tents and other make-shift shelters awaiting housing and services.

One of the main challenges of homelessness is that each person, each encampment, and each story is unique, yet they all share one common aliment: trauma. In most cases, trauma paves the road to homelessness, gathers strength during homelessness, and haunts those that exit from homelessness. No program, plan, or funding is more important than the trust that can be built through human connection.

In Healdsburg, we partner with Reach for Home, a local non-profit with a mission to end homelessness in Northern Sonoma County. At the heart of Reach for Home is Rick Cafferata who tirelessly helps those experiencing homelessness in our community. In Healdsburg, we know those experiencing homelessness by name, not numbers because of the work of our outreach workers like Rick.

Rick served on our Housing Element Work Group and represented his lived-experience in helping to form the goals and policies of this document. He is a tireless advocate for those experiencing homelessness because he has shared in that experience and paved a pathway for others to follow. And many have.

On any given day, Rick moves about Healdsburg offering services, basic necessities, and a compassionate ear to those hidden in plain sight. When COVID-19 plagued our community, Rick delivered food directly to encampments, when it rains, he drives them to the winter shelter, and when they are ready, Rick brings them home. And now that is more possible than ever.

With the purchase of the L&M Motel through the State of California's Homekey Program, Rick will now have the ability to house up to 22 individuals experiencing chronic homelessness in their own individual rooms, something that most of his clients have not had in years. A perfect place to decompress from the trauma of homelessness before accepting more permanent housing solutions.

More about the L&M and Rick can be found at: <u>https://youtu.be/TnovUhul8hU</u>



As the result of these prior or ongoing efforts, the City performed well from a housing perspective during the 5th Cycle that began in 2015. A full review of 5th Cycle Programs, including lessons learned and connections and implications for the 6th Cycle are detailed in **Appendix A**. In summary major 5th Cycle achievements include the following:

- 1) constructed nearly all the affordable housing units specified in the Regional Housing Needs Allocation (RHNA);
- 2) set the stage (with the approval of a range of housing development projects) for meeting the RHNA requirements of the 6th Cycle setting construction in motion, not just siting;
- 3) developed and adopted a Housing Action Plan (HAP) that expanded upon and implemented Housing Element programs; and
- 4) implemented key Housing Element and HAP programs, as documented in this Update.

However, key challenges persist and must be faced in the coming years:

- 1) median housing prices continue to increase and are now well beyond the financial ability of most working families;
- 2) the Growth Management Ordinance, despite amendment, continues to restrain market rate rental or ownership housing construction;
- 3) the limited amount of land or development capacity restrains market-rate or affordable housing that may otherwise occur;
- 4) the existing housing supply continues to shift to use as second homes; and
- 5) high rents and associated loss of community-serving retail uses being displaced by visitor-oriented businesses are altering the community character.

The 6th Cycle 2023-2031 Housing Element Update is intended to meet these challenges in the context of the expanded and rigorous requirements of State Housing Law by going beyond statutory requirements in a variety of ways, particularly to further expand development capacity through intensification and infill development, promoting and requiring development of innovative housing types that meet local housing needs in a cost-effective

The City is proud of the community's commitment to address these challenges, and with expanded staffing and additional resources, City staff is committed to fulfilling its responsibilities towards RHNA, and, more importantly, meeting the needs of the Healdsburg community.

manner, and expanding housing opportunities for all income groups including the 'missing middle' worker households earning moderate and above moderate family income.

The City is proud of the community's commitment to address these challenges, and with expanded staffing and additional resources, City staff is committed to fulfilling its responsibilities towards RHNA, and, more importantly, meeting the needs of the Healdsburg community.



State Law and Local Planning

Consistency with State Law

State law establishes detailed requirements for Housing Elements, which are summarized in California Government Code Section 65583 and requires that all local governments adequately plan to meet the housing needs of everyone in the community. The Housing Element contains:

- An assessment of housing needs in the City;
- The identification of constraints upon the maintenance, improvement, and development of housing for all income groups;
- An inventory of sites and development capacity available to the City to meet the housing needs for all income groups sufficient to meet housing needs as required by the Regional Housing Needs Allocation;
- A statement of the community's goals and policies related to the maintenance, improvement, access to, and development of housing;
- A statement for how the City will affirmatively further fair housing for all its residents
- A set of quantified objectives for meeting the Regional Housing Needs Allocation and other needs and specification; and
- An eight-year schedule of programs the City will undertake to implement the policies and achieve the goals and objectives of the Housing Element.

Coordination with the City's Public Works Department and Electric, Water, and Wastewater Department occurred as the Housing Element was prepared. The Departments are aware of their statutory obligation to reserve capacity for affordable units and have confirmed that adequate capacity of these utilities presently exists, and, moreover, various improvements are underway to further expand capacity and conserve water supply.

New Statutory Requirements

During the past decade, multiple statewide bills have been passed by the State Legislature and signed into law by the Governor (see **Appendix B**). This body of legislation reflects heightened concerns at the State level regarding a persistent housing shortage in the State, estimated to be at least 3 million housing units. The lack of affordable housing options has taken a toll on the State's ability to house the working families and the labor force needed to sustain and drive its industries. More importantly, the inability to access homeownership has shortened the economic runway for generational wealth-building for those from marginalized communities and those who identify as ethnic minorities. There have been numerous bills introduced and passed by the State, but at the center of all these initiatives, there is one consistent factor: we need to build housing. This plan incorporates the required State laws and reflects how these laws can be adapted to advance the needs of a community that aspires to go beyond addressing State requirements.



General Plan Consistency

State law requires that all cities and counties in the State adopt a General Plan to guide urban and rural development, conservation, infrastructure policy, and related regulations. A General Plan is comprehensive (integrating the various elements), long range (20 years or longer), and policy oriented (excludes specific regulations, etc.). The Healdsburg General Plan contains State mandated elements relating to Land Use, Circulation, Housing, Noise, Conservation and Open Space, and Safety. The Housing Element is the only element that must be certified by the State. The California Government Code Section 65300.5 requires internal consistency among the various elements of the General Plan. The 6th Cycle Housing Element, following certification by the State, will be incorporated into the Healdsburg 2030 General Plan. At the time the City's General Plan is updated, the City must (and will) ensure continuing consistency between the updated Housing Element and the new General Plan.

Purpose of the Housing Element

The purpose of the Housing Element of the General Plan is threefold:

- to assure that adequate development sites and development capacity is available for housing across the range of household income groups as established by the Association of Bay Area Governments through the Regional Housing Needs Allocation (RHNA) process;
- 2) to present related specified background information, inform and engage the public during preparation and during the term of the Housing Element; and
- 3) to establish policies and programs that remove identified constraints, affirmatively further fair housing, and support housing development meeting the needs of all household income groups.

The Housing Element presents a detailed statement of the housing goals, policies, programs, and quantified objectives for the City. The Element is based on a comprehensive technical assessment of prior existing housing policies and programs; current and projected housing needs, especially related to low-income households and special needs populations; an analysis of market, environmental, governmental, and other factors which constrain housing production; an assessment of ways that the City can affirmatively further fair housing for its residents; an inventory of sites available for housing construction; and an assessment of new programs and policies that can enhance housing production in the City. The Housing Element guides housing-related decision-making by elected and appointed officials. Specifically, the Housing Element sets forth how the City will address the need for housing, especially by low- and moderate-income families, and special needs families and individuals. The Housing Element also provides housing-related background data and information to the public.



Definitions of Terms

Throughout the Housing Element, a variety of technical terms related to income levels are used in describing and quantifying conditions and objectives. The definitions of these terms follow:

- Above Moderate-Income Households Households earning over 120 percent of the County Area Median Income (AMI), adjusted for household size.
- Affordable Housing Housing which costs no more than 30 percent of a moderate-, low-, very low-, or extremely low-income household's gross monthly income. For affordable rental units, monthly rent is capped at 30 percent of the relevant Area Median Income, divided by 12, with any tenant-paid utilities deducted. For homeownership units, maximum sales price is calculated assuming no more than 30 percent of the relevant AMI household's monthly income shall be spent on the monthly housing payment, which includes mortgage payments, taxes, insurance, and homeowners' dues.
- Area Median Income (AMI) The income figure representing the middle point of County household incomes, adjusted for household size. Fifty percent of households earn more than or equal to this figure and 50 percent earn less than or equal to this figure. For the year 2022, the AMI for a four-person household in County of Sonoma was \$112,800.
- Extremely Low-Income Households (ELI) Households earning not more than 30 percent of the AMI, adjusted for household size.
- Federal Poverty Threshold Issued by the Census Bureau and varies by family size, number of children, elderly. There is no geographic variation. For 2021, the poverty threshold for a single person under age 65 was \$14,097, for a three-family unit with two children, it was \$21,831. (Note: this differs from the Federal Poverty Guidelines issued by Health & Human Services).
- Low-Income Households Households earning between 51 and 80 percent of the AMI, adjusted for household size.
- Lower-Income Households Households earning up to 80 percent of the AMI, adjusted for household size, including Extremely Low-income, Very Low-income, and Low-income households.
- Missing-Middle Housing A range of house-scale buildings with multiple units compatible in scale and form with detached single-family homes. (Source: MissingMiddleHousing.com).
- Middle-Income Households Moderate-income households and households earning between 120 and 160 percent of the AMI, adjusted for household size.
- Moderate-Income Households Households earning 81 to 120 percent of the AMI, adjusted for household size.



- Multiplexes or Plexes A single structure that contains more than one dwelling unit. The units share common walls, and each typically has an outside entrance. Examples include duplex, triplex, quadruplex, etc.
- Very Low-Income Households (VLI) Households earning between 31 and 50 percent of the AMI, adjusted for household size.

Data Sources

The 2023 Housing Element Update makes full use of the pre-certified data package provided by the Association of Bay Area Governments (ABAG), which is contained in its entirety as **Appendix C**. In addition to the ABAG dataset, the following sources of data were used to help identify historic patterns of segregation, assess constraints to housing and the market conditions in Healdsburg; and to better identify specific housing needs:

- U.S. Census Bureau, Decennial Census; 2010, 2019, 2020
- U.S. Census Bureau, American Community Survey 5-Year Data, 2015-2019
- U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018
- U.S. Department of Agriculture, Census of Farmworkers; 2002, 2007, 2012, 2017
- U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW), 2020 first-quarter industry employment
- U.S. Department of Housing and Urban Development (HUD), Consolidated Housing Affordability Strategy (CHAS), 2013-2017 release
- U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release
- U.S. Department of Housing and Urban Development, Section 202/811 Supportive Housing Programs, 2010 Program Fact Sheet
- U.S. Department of Education, National Center for Education Statistics, 2020
- U.S. House of Representatives, US Code Low-Income Housing Preservation and Resident Homeownership, accessed January 1, 2022
- U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)
- California Tax Credit Allocation Committee, Opportunity Area Index, 2020, 2021
- California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2022



- California Employment Development Department, Local Area
 Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021.
- County of Sonoma, Grand Jury Report, June 2022
- City of Healdsburg, Annual Progress Reports, 2015-2021
- UC Berkeley, Urban Displacement Project
- Redfin Housing Market Trends, May 2022
- Zumper Rental Data, June 2022
- Burbank Housing, 2022

Population Characteristics and Trends

This section explores the characteristics and the housing needs of Healdsburg residents and helps to provide direction in updating the goals, policies, and programs found within this Housing Element. A full analysis of housing needs and demographics is contained in the Technical Background Report, and the ABAG Housing Needs Data Packet is included as **Appendix C**.

Healdsburg's population increased 27 percent, from 9,469 to 12,089 between 1990 and 2020, as shown in **Figure 1**. During the same time period, Sonoma County's population grew 27 percent and the Bay Area's population grew 29 percent. Healdsburg's population increased the most between 1995 and 2005, followed by periodic annual decreases and a slight increase over time. Overall, Healdsburg's population in 2020 was only 4 percent higher than its population in 2005. Since 2020, and as of May 2022, the State Department of Finance reports that Healdsburg's population fell to 11,030.

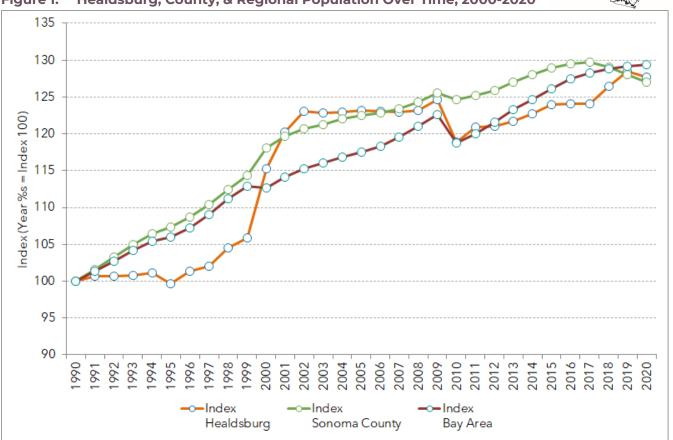


Figure 1: Healdsburg, County, & Regional Population Over Time, 2000-2020

Housing production trends over a wider timeframe indicate that production has substantially slowed as shown in **Figure 2**, leading to a modest population increase in the 21st century to date.

Source: California Department of Finance, E-5 series, 2020 1

¹ Note: DOF uses the decennial census to benchmark subsequent population estimates. Due to this, breaks may appear in this data between estimated data (1999, 2009) and data from the Census count (2000, 2010).

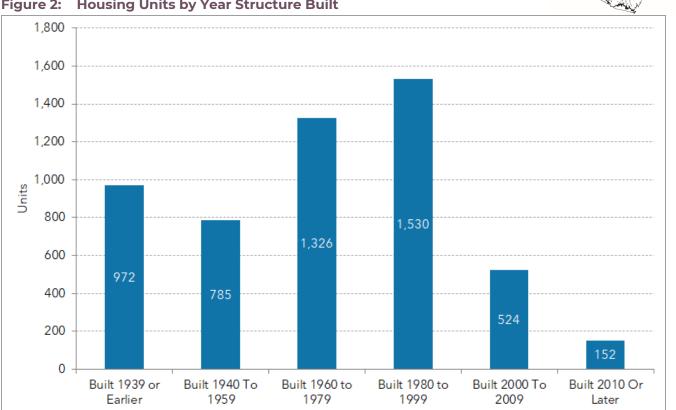


Figure 2: Housing Units by Year Structure Built

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034

Community Involvement

Housing issues affect the entire community and are best understood in a community-driven dialogue. The public participation requirement of Housing Element law presents an opportunity to engage constituents in defining housing issues, and in creating solutions that both meet the needs of the community and the requirements of State law.

The 6th Cycle Housing Element Update has been undertaken during the COVID-19 global pandemic. Community engagement had to be adjusted to allow and encourage meaningful public participation and input without requiring community members to meet or gather in-person. Staff and consultants made use of multiple in-person and digital platforms to facilitate public input throughout the update process and carefully considered community input in the development of the Housing Element.

The community engagement process was steered by the Housing Element Working Group (HEWG), a diverse group of community stakeholders convened to guide priorities throughout the preparation process. Members of the nine-person group included the following:

- A member with lived experience of homelessness
- A member from the Healdsburg business community
- A member from a local non-profit organization
- A member that rents their primary residence
- A member of the Healdsburg Planning Commission



- A member representing the faith-based community
- Community member at-large (x3)

The motivation and success of the group organically led to the group building a roadmap for followup work in the 6th Housing Element implementation era (2023-2031), as the City's growing housing efforts formalized into a Housing Department.

The greater community was outreached extensively with City correspondence, mailers, door-to-door canvassing, and digital media resources distributed by the City and HEWG. These community outreach efforts and the incorporation of public feedback into the Housing Element are provided in full within **Appendix D** of the Housing Element.

Through this outreach, City staff provided updates to more than 500 contacts signed up to receive emails and received over 500 community survey responses (see **Appendix E**). Commenters emphasized housing affordability and availability as key priorities, particularly for young families and local workers. In addition to surveys, community members participated in a dozen public workshops on the Housing Element Update. Opportunities for public participation were provided throughout the Housing Element process as outlined below:

- January 2022:
 - City Council kick-off (1/3/22), presented by the consultant team and the subregional Napa Sonoma Collaborative
 - Community survey launched, receiving 500 individual responses
 - HEWG Workshop #1 (1/19/22) with project overview
 - HEWG Workshop #2 (1/31/22) on public outreach and housing site analysis
- February 2022:
 - 750 homes canvassed with a door-to-door bilingual flyer promoting the community survey, prioritizing neighborhoods with higher proportions of renters in areas designated Low Resource on TCAC/HCD Opportunity Maps
 - Bilingual mailer sent to all City utility customers to promote community survey
 - HEWG Workshop #3 (2/28/22) on public outreach, housing site analysis, and programs/policies
- March 2022:
 - HEWG Workshop #4 (3/14/22) on housing site analysis and programs/policies
- April 2022:
 - HEWG Workshop #5 (4/11/22) on housing site analysis, public outreach, programs/policies, and scope of future work during the Housing Element implementation phase
 - Housing development stakeholder engagement with survey tailored to inform analysis of governmental and non-governmental constraints
 - Planning Commission Workshop (4/26/22) on Draft Housing Strategy



- June 2022:
 - City Council Workshop (6/6/22) on Draft Housing Strategy
- July 2022:
 - HEWG Workshop #6 (7/11/22) on revised Draft Housing Strategy, quantified objectives, and scope of future work during Housing Element implementation phase
- August 2022:
 - HEWG Workshop #7 (8/8/22) on fair housing contributing factors and quantified objectives
- September 2022:
 - Launch of Public Review Draft Housing Element (9/30/22), distributed to residents and community stakeholders for 30-day public comment period
- October 2022:
 - Planning Commission Workshop (10/11/22) on Public Review Draft Housing Element
- November 2022:
 - Incorporation of public comment from 30-day public review into draft for submittal to California Housing & Community Development (HCD)
- March 2023:
 - HEWG Workshop #8 (3/13/23) to discuss status of Housing Element update and work plan for upcoming year (quorum was not achieved)
- April/May 2023:
 - Planning Commission & City Council adoption hearings

Summary of Constraints

Constraints to the production of adequate housing affordable to lower-income households are created by market, governmental, infrastructure, and environmental factors, among others. Constraints can generally be divided into 'governmental constraints' - those that are controlled by Federal, State, and local governments - and 'nongovernmental constraints' - factors that are not created by and cannot be directly affected by government policy or regulations.

As demonstrated in the Sites Evaluation, the City of Healdsburg can meet its 6th Cycle RHNA obligation despite outstanding constraints that were identified in the 5th Cycle. There can be further progress made to reduce constraints that may impede the City's housing production beyond the 6th Cycle. These Governmental and Non-governmental constraints are identified in the Technical Background Report, and analysis of these constraints informed the development of programs that eliminate or reduce their negative effects on housing supply and cost.



Governmental constraints result from City land use policies, regulations, ordinances, taxes and fees and the availability and cost of infrastructure needed to serve new development. In a survey of developer stakeholders, 75 percent of respondents indicated that "zoning and permitted uses" in Healdsburg are somewhat or highly prohibitive. The primary governmental constraint in Healdsburg is the Growth Management Ordinance, which limits the number of market-rate units that can be permitted each year. Despite amendments over the years (most recently Measure H, which passed in 2020), the GMO remains a constraint on housing construction in Healdsburg. The community survey found the GMO in the top ten topics across all write-in responses, the HEWG recommended the GMO to be listed as a central contributing factor to fair housing issues (see the **Technical Background Report**), and the survey of development professionals rated the GMO as the primary constraint to development, deemed Highly Prohibitive by a supermajority of respondents.

Non-governmental constraints result from factors that affect housing affordability not directly connected to government policy, programs, or regulation. Key non-governmental constraints related to housing include the cost of construction (including land prices, building materials, and labor), availability and price of construction and mortgage financing, market conditions generally including pricing, consumer preferences, demand, and competition, capacity and availability of local or regional developers and builders, and natural hazards and environmental conditions that effect costs and availability of housing. In a survey of developer stakeholders, 75 percent of developer stakeholders indicated that the cost of construction materials is somewhat or highly prohibitive.

As noted above, the high price of land and housing in Healdsburg is the primary non-governmental constraint, driven by Healdsburg's sustained position as a popular Sonoma County visitordestination which continues to drive housing prices higher in combination with the second home and vacation rental markets, which, in turn, reduce the City's housing inventory available to working families. At the same time, there is limited turnover of existing homes. It is challenging for young families to enter the Healdsburg market, much less stay in the community as their families grow and their housing needs change.

These challenges are attributable to both governmental and non-governmental constraints, which directly affect the production and availability of housing, especially affordable housing. High (and increasing) direct development costs, including the cost and availability of materials and labor represent another constraint.

The **Housing Strategy (Chapter 2)** includes new policies and programs, informed by the Constraints Analysis, and other input including the community outreach efforts, to reduce or mitigate both governmental and non-governmental constraints within the broader policy context. These policies and programs are noted under each constraint. he plans and programs intended to address these constraints include **Housing Program 4 - Expanding Housing Development Capacity** and **Housing Program 7 - Removing Housing Constraints**.



Summary of Fair Housing Assessment and Programs

Assembly Bill 686 (Affirmatively Furthering Fair Housing, or AFFH) requires state and local agencies to take proactive measures to correct any housing inequalities related to race, national origin, color, ancestry, sex, marital status, disability, religion, or other protected characteristics. All Housing Elements due on or after January 1, 2021 (like Healdsburg's) must address these new requirements. The City must also ensure that its policies and programs affirmatively further fair housing, and that they take no actions that counter those goals.

Under State law, Affirmatively Furthering Fair Housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." In the context of a community's housing needs, AFFH is not just about the number of housing units needed, but also about where the units are located and who has access to them.

Housing Element law now requires the City to prepare an Assessment of Fair Housing, identify factors that contribute to local fair housing issues, and include meaningful actions within the Housing Element Programs to address those factors. The findings from the Assessment of Fair Housing must also be integrated into the Sites Inventory. Public participation and outreach efforts for the Housing Element update must affirmatively further fair housing. Per HCD Guidance, the Assessment of Fair Housing addresses enforcement and outreach capacity, segregation and integration, disparities in access to opportunity, disproportionate housing needs including displacement, and concentrated areas of poverty and affluence across racial/ethnic groups. The City of Healdsburg commits to embedding the lens of fair housing and equity – racial, social, and economic – throughout this plan.

One key aspect of AFFH requirements is to ensure an equitable distribution of sites in the Housing Element Sites Inventory. Since Healdsburg is an affluent community with confluence of both High Resource and Low Resource communities as identified by HCD, this Housing Element plans for equitable distribution of sites including affordable housing in High Resource areas. This sites strategy is paired with programs to ensure that sites in Low Resource neighborhoods are supported by community amenities, infrastructure, and services to prevent segregation in Healdsburg.

Based on data, local knowledge, community outreach and input, and analysis, the City has identified the following factors as contributing to local fair housing issues:

- Limited turnover of existing housing stock excludes younger population who cannot afford to enter the housing market
- Lack of affordable, accessible housing in a range of sizes
- Displacement of residents due to economic pressures (priced out, etc.)
- Lack of affordable units appropriately sized for large families
- Growth management ordinance

Each of these factors are related to limited housing supply and as such, increasing housing supply is the central theme of the 6th Cycle Housing Element Update. As documented in the Quantified



Objectives, nearly 1,000 additional units are targeted for construction over the next eight years, a nearly 20 percent increase in the City's housing stock. These

new housing units will derive from the Housing Programs which, where appropriate, document the new housing units expected from each Program. The City has an ongoing fair housing program that will be expanded to meet the requirements of AB-686 and other new State laws. Key to this expansion is taking a more proactive approach to fair housing administration and addressing the full range of fair housing policy and statutory requirements.

Meaningful actions to affirmatively further fair housing are reflected in **Housing Program 6** - **Affirmatively Furthering Fair Housing**. Specific components of Housing Program 6 include:

- Refer Fair Housing Complaints
- Provide Non-Discrimination Clause and Mandate Fair Housing Practices
- Disseminate Fair Housing Information
- Conduct Spanish Language Outreach
- Provide Utility Discounts for Lower-Income Households
- Conduct Code Enforcement
- Improve Infrastructure in Lower Resource Areas

Regional Housing Needs Assessment and Summary of Housing Strategy

The Regional Housing Needs Allocation (RHNA) is a determination of projected and existing housing needs for all jurisdictions in California. State housing law requires that each jurisdiction's Housing Element demonstrate that the jurisdiction has sufficient land zoned for housing and plan to meet its RHNA. The Association of Bay Area Governments (ABAG) conducts the RHNA process for jurisdictions in the San Francisco Bay Area every eight years.

The RHNA methodology applies several factors to further the objectives of State law and meet ABAG's regional goals as outlined in its Plan Bay Area. Because one of the five objectives of State housing law is to ensure that there is not an overconcentration of households by income group, after a RHNA total is calculated, a social equity adjustment is applied. The social equity adjustment is based on household income and access to resources. The social equity adjustment helps ensure that the RHNA methodology does not overburden low-income jurisdictions with more low-income households., The result is that higher income jurisdictions are required to plan for fewer market rate units and more affordable units, while lower income jurisdictions plan for more market rate units and fewer affordable units.



Healdsburg's RHNA for the 6th Cycle Housing Element period (2023 - 2031) is 476 units, divided among each income group as shown in **Table 1.**²

Table 1: Healdsburg's 6th Cycle RHNA

Income Group	2023 - 2031 RHNA Allocation
Very Low	190
Low	109
Moderate	49
Above Moderate	<u>128</u>
Total	476

Sources: City of Healdsburg; ABAG.

Table 2 summarizes the City's plan to meet its RHNA, which includes currently planned and approved development, projected ADU development, and acquisition and conversion of market rate units into affordable units.

Table 2: 6th Cycle Strategy to Address RHNA

	Adequate Sites						
Income Group	2023 - 2031 RHNA Allocation	Pending, Approved, or Permitted Units	Market Rate Units Converted to Affordable	Hotel, Motel, or Hostel Conversion	Projected ADUs	Total Credits	% of RHNA
Lower							
Extremely Low	83	16	0	22	17	55	
Very Low	107	119	39	0	16	174	
Low	<u>109</u>	<u>129</u>	<u>0</u>	<u>0</u>	<u>33</u>	<u>162</u>	
Lower, Subtotal	299	264	39	22	66	391	131%
Moderate	49	43			33	76	155%
Above Moderate	<u>128</u>	<u>503</u>			11	<u>514</u>	402%
Total	476	810	39	22	110	981	206%

Sources: City of Healdsburg; ABAG.

² While the RHNA is assigned based on the four income categories above, the law also requires that communities plan for the needs of extremely low-income households, defined as those making less than 30% of the County AMI. The housing need for the extremely low-income group is calculated using U.S. Census Bureau data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households. In Healdsburg, 970 of Healdsburg's households are 0 to 50% AMI while 425 are extremely low-income. Therefore, extremely low-income households represent 43.8% of households who are 0 to 50% AMI, as 425 divided by 970 is 43.8%.



2. Housing Strategy

The City of Healdsburg, through adopting its 6th Cycle Housing Element, adopts the following Goals and Policies, as well as a set of Implementing Programs to be completed during the timeframe of the 6th Cycle Housing Element.

During the 5th Cycle, the City of Healdsburg enacted aggressive housing policy implementation efforts and is committed to further expanding these efforts and seeking new funding sources to support fair, affordable, and environmentally-sensitive housing. The collective Goals, Policies and Programs set forth in this Housing Element and as administered by the City of Healdsburg comply with and further the requirements and goals of Government Code Section 8899.50(b), "A public agency shall administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing and take no action that is materially inconsistent with its obligation to affirmatively further fair housing." As demonstrated throughout the following Goals, Policies and Programs, and in particular in **Goal 6: Affirmatively Furthering Fair Housing** and its related policies, the City is

committing to taking meaningful actions to fulfill its obligation to affirmatively further fair housing and will take no actions that would be materially inconsistent with this goal.

The policies associated with each Goal are listed below each Goal, and implementing programs are described in the subsequent section. (Parenthetical notes following Goals, Policies, and Programs explain changes from the 2015 Housing Element.)

Goals and Policies

Goal 1. Maintain affordable housing sites and expand housing development capacity as needed to accommodate the City's regional housing need throughout the eight-year Planning Period and beyond.

While the City's pipeline of projects is more than adequate to meet Healdsburg's Regional Housing Needs Allocation (RHNA), policies and programs are required to maintain and develop these sites, as well as generally expand affordable and other housing development sites. Specifically, SB 166 (No Net Loss) requires that cities maintain a Sites Inventory to incrementally meet the RHNA, by income category, on an annual basis throughout the Planning Period.



Policies	and the second sec
Policy 1.1	Maintain the supply of residentially-designated land shown in the Housing Sites Inventory adequate to accommodate Healdsburg's share of the regional housing need allocation during the 6th Cycle.
	(Existing, Modified)
	Implementing Program: HP-3 Sustaining and Expanding Housing Sites
Policy 1.2	Prepare and maintain an Administrative Site List that lists and describes additional housing sites with appropriate residential zoning that presently exist or can be added to the City's Housing Sites Inventory if and when an analysis provided through the Annual Progress Report indicates that sufficient sites may not exist to accommodate the City's remaining RHNA, by income level, during the planning period.
	(New, assures adequate sites are available)
	Implementing Program: HP-3 Sustaining and Expanding Housing Sites
Policy 1.3	Consistent with "no-net-loss" density provisions contained in Government Code Section 65863, consider the potential impact on the City's ability to meet its share of the regional housing need when reviewing proposals that reclassify residentially-designated property to other uses, or assume fewer units for the site than what is reflected in the Housing Sites Inventory.
	(Existing, Modified)
	Implementing Program: HP-3 Sustaining and Expanding Housing Sites
Policy 1.4	Facilitate affordable housing opportunities in the City's existing developed neighborhoods by permitting, promoting, and incentivizing construction of ADUs, JADUs, and other accessory units and lot splits as required by Government Code 65852.81 (SB 9).
	Implementing Program: HP-5 Affordable Housing Development Program (New funding required)
Policy 1.5	Pursue selected rezoning of lower density residential or commercial/industrial parcels to higher density multifamily or mixed-use zoning districts.
	(Existing, Modified)
	Implementing Program: HP-4 Expanding Housing Development Capacity



Policy 1.6 Evaluate and where appropriate increase minimum housing density requirements for residential and mixed-use Land Use Element Designations and corresponding Zoning Districts.

(Existing, Modified)

Implementing Program: HP- 4 Expanding Housing Development Capacity

Policy 1.7 Review all Zoning Districts that allow multifamily residential uses and increase allowable maximum densities, established 'by right,' from their existing maximum to 30 units or more per acre as may be appropriate and adjust height limits to allow such higher density.

(New)

Implementing Program: HP- 4 Expanding Housing Development Capacity

Policy 1.8 Identify and pursue new Area Plans or Specific Plans in areas where substantial increases in housing development capacity are possible.

(Existing, Modified)

Implementing Program: HP- 4 Expanding Housing Development Capacity

Policy 1.9 Identify and evaluate Housing Opportunity Sites, acquire when advantageous, and seek public agency or private partners and initiate planning, development entitlement, and partnership agreements as the Opportunity Sites become available.

(New)

Implementing Program: HP- 4 Expanding Housing Development Capacity (new funding required)

Policy 1.10 Assure zoning changes for Area Plans, Specific Plans, and/or Housing Opportunity Sites include set-aside sites for affordable housing and middleincome housing development through site dedication or donation to the City or an affordable housing developer (one acre minimum), offering units with an enduring price or rent control, and offering sites (lots) for sweatequity ownership projects (e.g., Habitat for Humanity) and similar programs.

(New)

Implementing Program: HP-3 Housing Sites Inventory



Goal 2. Remove or mitigate impediments to housing production including both governmental constraints and non-governmental constraints.

Housing development is constrained by both the policies, programs, and regulations imposed by government agencies and by market and natural conditions that influence housing development costs. Accordingly, the following policies address both governmental and non-governmental constraints.

Policies

Policy 2.1 Reduce the time spent reviewing and acting upon residential development applications to reduce development costs and improve development feasibility.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints

Policy 2.2 Reduce the project review requirements for small subdivisions of residentially-zoned land (10 or fewer units) by comparison to larger, more complex projects.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code Amendments)

Policy 2.3 Streamline permitting for 'multiplexes' (e.g., duplexes, triplexes, etc.) and provide regulatory incentives within single-family designated zoning districts.

(New)

Implementing Program: HP-7 Remove Housing Constraints

Policy 2.4 Incentivize affordable and middle-income housing located in single-family neighborhoods by reducing pre-development and construction costs of ADUs by pre-approving prototypical plans and modular units, and by offering construction loans with debt forgiveness provisions in return for longer-term, price restricted rentals.

(New)

Implementing Programs: HP-7 Remove Housing Constraints (New funding required)



Policy 2.5 Continue improving the efficiency of the City's Design Review process by providing consistent and predictable policy direction, expanding objective design standards, and reducing the scope of uses requiring a Conditional Use Permit.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code Amendments)

Policy 2.6 Pursue amendments to the City's Growth Management Ordinance with the intent of increasing housing production.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (GMO)

Policy 2.7 Ensure that aggregate impact fees and related application exactions do not deter new residential development (i.e., target fee burdens that do not exceed 15 percent of the expected retail value/price of new development) and ensure compliance with AB 602.

(New, Statutory Compliance)

Implementing Program: HP-7 Remove Housing Constraints (Impact Fee Update)

Policy 2.8 Explore the efficacy of reducing, or waiving impact fees to affordable and middle-income housing units required by the Inclusionary Housing Ordinance, density bonus, or City development code provisions and pay for such fee reductions with new funding sources dedicated to incentivizing housing production.

(New)

Implementing Program: HP-7 Remove Housing Constraints (Impact Fee Update) (new funding required)

Policy 2.9 Use land-secured and tax increment financing districts (special property taxes, property tax increments) to encourage private infrastructure investment associated with new housing production.

(New)

Implementing Program: HP-7 Remove Housing Constraints (new funding source)



Policy 2.10 Create additional Citywide sources of funding to support infrastructure expansion for new housing when needed including use of utility rate-based revenue bonds, general obligation bonds, grants from Federal and State programs, and JPA-issued bonds.

(New)

Implementing Program: HP-7 Remove Housing Constraints (new funding sources)

Policy 2.11 Utilize a 'Program EIR' (Public Resources Code Section 15168) for environmental review of all land use plans prepared by the City (area plans and specific plans).

(New)

Implementing Program: HP-7 Remove Housing Constraints (Code and procedural amendments)

Policy 2.12 Continue waiver of development standards (e.g., required number of parking spaces) when feasible and where certain criteria are met (e.g., development feasibility is improved, project design is improved, and/or specified housing use types are eligible for by-right review pursuant to statutory requirements).

(Existing)

Implementing Program: HP-7 Remove Housing Constraints (Code and procedural amendments)



Goal 3. Preserve and improve the City's existing housing stock and community character in residential neighborhoods, while allowing greater density (e.g., ADUs/JADUs, SB 9, multiplexes).

Existing housing units including both ownership and rental units are not constant. They are affected by aging and deterioration, conversion to other uses, and, with respect to rental units, may be affected by conversion to ownership (condominium) uses.

Policies

Policy 3.1 Preserve and improve the stock of affordable rental housing units and special needs housing by offering low interest loans and other incentives to rehabilitate and upgrade these properties and continue opportunistic investment (purchase and rehabilitation) of existing market rate multifamily rental buildings for conversion to affordable, price-restricted units.

(Existing, Modified)

Implementing Program: HP-2 Preserve Housing and Neighborhoods (New funding required)

Policy 3.2 Measure and mitigate loss of housing stock to second homes.

(Existing, Modified)

Implementing Program: HP-2 Preserve Housing and Neighborhoods (New funding required)

Policy 3.3 Vigorously enforce restrictions on vacation rentals and other short-term rentals in the City and identify and amend code restrictions to eliminate loopholes that violate the 30-day minimum rental requirement.

(Existing, Modified)

Implementing Program: HP-2 Preserve Housing and Neighborhoods

Policy 3.4 Expand housing opportunities for middle-income housing households. *(New)*

Implementing Program: HP-5 Affordable and Middle-Income Housing Development (New funding required)



Policy 3.5 Discourage the conversion of existing multifamily rental units to condominium units in order to preserve the supply of rental housing in the City.

(Existing)

Implementing Program: HP-2 Preserving Housing and Neighborhoods

Policy 3.6 In cooperation with affordable housing project owners, monitor pricerestricted affordable housing programs and projects to ensure their continued occupancy by appropriate individuals and households.

(Existing, Modified)

Implementing Programs: HP-1 Housing Administration (affordability monitoring)

Policy 3.7 Control rent increases on mobile home park spaces consistent with local ordinances and State law.

(Existing)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods (Rent Stabilization ordinance)

Policy 3.8 Sustain long-term maximum rents and sale price restriction contracts on affordable housing units developed with City assistance and also on the inclusionary units provided by private developers, and encourage owners of affordable housing units to preserve affordable housing through refinancing and the extension of affordability covenants.

(Existing, Modified)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods (new funding may be required)

Policy 3.9 Provide additional land use and public safety policies and programs as needed to mitigate wildfire hazards and loss of existing housing units in the City.

(New)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods (Update General Plan Safety Element)



Policy 3.10 Support and collaborate with local and surrounding neighborhood associations, Fire Safe Councils, and Citizens Organized to Prepare for Emergencies (COPE) organizations to develop area-specific wildfire response plans.

(New)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods

Policy 3.11 Reduce wildfire hazards on lands surrounding the City, particularly on the eastern edge through cooperation with landowners, the Northern Sonoma County Fire Protection District, Cal Fire, and other entities to reduce fuel and create fire resistant 'buffer zones.'

(New)

<u>Implementing Programs: HP-2 Preserving Housing and Neighborhoods</u> (Inter-agency cooperation)

Policy 3.12 Require and provide technical guidance and financial incentives to homeowners for completing 'defensible space' and fire safe building 'hardening' retrofitting.

(New)

Implementing Program: HP-2 Preserving Housing and Neighborhoods (new funding may be required)



Goal 4. Support and promote housing production during the Planning Period, emphasizing affordable and middle-income housing needs.

In addition to establishing and maintaining housing sites, removing or mitigating constraints, and creating additional development capacity, it will be necessary to provide additional regulatory and programmatic incentives, as well as subsidies to achieve additional affordable and middle-Income housing production.

Policies

Policy 4.1 Post an accessible, interactive, and 'user-friendly' version of the City's Housing Sites Inventory that includes site-specific development information to attract, engage and encourage prospective developers.

(Existing, Modified)

Implementing Program: HP-1 Housing Administration, HP-3 Sustaining and Expanding Housing Sites

Policy 4.2 Cooperate, partner and provide local matching funds with affordable housing developers to: a) benefit from their expertise and resources available for the development of affordable housing units, and b) support their efforts to secure Low-Income Housing Tax Credits and other development financial assistance.

(Existing, Modified)

Implementing Program: HP-5 Affordable and Middle-Income Housing Development

Policy 4.3 Provide regulatory, processing, and financial incentives to developers that provide on-site affordable housing for people with special needs, including extremely low-, very low-, and low-income renters and buyers. Such incentives shall include contribution of City-owned sites, modification of development standards, priority processing, and direct financial assistance. Requests for incentives shall be made with the initial project application and shall be determined on a case-by-case basis, consistent with Government Code 65915.

(Existing, Modified)

Implementing Program: HP-5 Affordable and Middle-Income Housing Development



Policy 4.4 Continue to require on-site production of low- and moderate-income housing units within new residential development projects consistent with the City's Inclusionary Housing Ordinance.

(Existing, Modified)

Implementing Program: HP-5 Affordable and Middle-Income Housing Development

Policy 4.5 Grant density bonuses in accordance with State law and City Ordinance and continue to grant an additional density bonus when an applicant proposes that 100 percent of the bonus units not restricted to lower-income households will be affordable to moderate- and middle-income households.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code amendments)

Policy 4.6 As a part of future market-rate housing projects involving development agreements, require a substantial portion of housing created to be exclusively available to the local workforce on a continuing basis through title or price restrictions, (e.g., resales must meet first sale price and continuing price restrictions).

(New)

Implementing Programs: HP-4 Expand Housing Development Capacity, HP-5 Affordable and Middle-Income Housing Development

Policy 4.7 Provide direct subsidies to middle-income, local workforce households to improve credit worthiness and offset equity requirements using 'silent second mortgages' equity sharing, or other subsidy instruments.

(New)

Implementing Programs: HP-5 Affordable and Middle-Income Housing Development

Policy 4.8 Develop moderate- and middle-income ownership housing in concert with the Housing Land Trust of Sonoma County (or other similar organizations) specifically targeted at providing home ownership opportunities to moderate- and middle-income, local workforce families.

(Existing, Modified)

Implementing Programs: HP-5 Affordable and Middle-Income Housing Development (New funding required)



Goal 5. Support and promote housing for homeless, special needs households, farmworkers, and elderly individuals.

The City of Healdsburg recognizes the needs of its homeless, special needs, farmworkers, and elderly individuals. Building on existing efforts, including the Project HomeKey Program, the City will continue to pursue policies and programs to provide needed housing and supportive programs within the City through cooperation with County and regional agencies and organizations.

Policies

Policy 5.1 Quantify the housing needs of people with disabilities, including residents with developmental disabilities, female-headed households, the housing needs of the homeless and those in peril of becoming homeless, and the housing needs of farmworkers.

(Existing, Modified, and Consolidated)

Implementing Program: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.2 Continue current City efforts to address homeless population needs by expanding transitional and supportive housing within Healdsburg and sustaining related services.

(New)

Implementing Program: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.3 Amend multifamily, mixed-use, and nonresidential zoning districts to allow permanent supportive housing and low-barrier navigation centers, pursuant to AB 101 and AB 2162.

(New, Statutory requirement)

Implementing Programs: HP-4 Expand Housing Capacity, HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.4 Increase the number of extremely low-income units in affordable housing developments by expanding City subsidies to these projects and including units that qualify as a 'housing unit' in future City-sponsored transitional and supportive services projects and pursuing siting, production, rehabilitation, and preservation of housing for extremely low-income households, including non-traditional housing types.

(New)



Implementing Programs: HP-5 Affordable and Middle-Income Housing Development, HP 8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.5 Encourage and facilitate the transition of homeless residents to permanent housing.

(New)

Implementing Programs: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.6 Collaborate with the County, other cities, and non-profit organizations to meet the needs of the homeless and those at risk of homelessness in Healdsburg.

(New)

Implementing Programs: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.7 Encourage senior housing development, rehabilitation, and preservation, particularly in neighborhoods that are accessible to public transit, commercial services, healthcare, and community facilities.

(Existing)

Implementing Programs: HP 8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.8 Continue to encourage the provision of housing to serve people with developmental disabilities in new affordable housing projects by facilitating needed Community Care Housing and Community Development (HCD) licensing, streamlining required land use approvals, requiring affordable housing developers to set aside a portion of their units for the developmentally disabled, and offering available subsidies and granting fee waivers.

(New)

Implementing Programs: HP-8 Extremely Low, Homeless, and Special Needs Housing



Policy 5.9 Assist special needs housing project partners by seeking dedicated funding for developmentally disabled affordable housing construction including state and federal grants as they become available, and support construction funding applications for affordable housing projects serving the developmentally disabled.

(New)

Implementing Programs: HP-1 Housing Administration (funding), HP 8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.10 Continue to provide individuals with disabilities 'Reasonable Accommodation' through universal design standards and flexibility in zoning and building code regulations as necessary to eliminate barriers to housing.

(Existing, Consolidated, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code amendments and procedures)

Policy 5.11 Require the inclusion of units meeting special needs in affordable housing projects developed with City assistance, where feasible and appropriate.

(New)

Implementing Programs: HP-5 Affordable and Middle-Income Housing Development, HP-8 Extremely Low, Homeless, and Special Needs Housing



Goal 6. Affirmatively further fair housing and promote environmental justice for all residents by ensuring fair and equal housing opportunities for all Healdsburg residents regardless of race, color, religion, sex, sexual orientation, age, marital status, national origin, ancestry, familial status, disability, or source of income, and promoting fair housing practices and prohibiting discrimination.

Healdsburg contains areas designated as Low, Moderate, and High Resource according to HCD's Affirmatively Furthering Fair Housing Opportunity Area Maps. The range of resource designations indicates disparities within Healdsburg neighborhoods in terms of access to economic, educational, and environmental opportunities. AB 686 mandates analysis of segregation patterns in the Housing Element, referred to as Affirmatively Furthering Fair Housing (see Section #). Housing Element policies and programs will reduce the health and safety risks in Low and Moderate Resource areas, notably through access to safe and sanitary housing and the prioritization of these areas for improvements and services. While Affirmatively Furthering Fair Housing is a recurrent goal of the Housing Element, achieved through implementing its full range of goals and policies, the following specific policies are included.

Policies

Policy 6.1	Ensure compliance with fair housing laws and prohibit discrimination in
	housing by providing fair housing services that include public information,
	engagement, counseling, and investigation.

(Existing, Modified, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.2 Actively sanction discriminatory housing practices.

(Existing, Modified, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.3 Affirmatively further fair housing by facilitating deliberate action to address and combat disparities and enhance economic mobility, by fostering inclusive communities and preventing the perpetuation of existing patterns of segregation.

(New, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing



Policy 6.4	Ensure that affected residents have the opportunity to participate in decisions that impact their health. Facilitate the involvement of residents, businesses, and organizations in all aspects of the planning process, utilizing culturally appropriate approaches for public participation and involvement.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.5	Provide all informational documents, web-postings, and related services in English and Spanish, and conduct all outreach multilingually, with reasonable accommodation for people with disabilities.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.6	Focus affordable housing development in Higher-Resource areas well- served by public transportation, schools, retail, and other services.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.7	Improve public facilities and municipal services in existing Lower-Resource Areas where deficiencies are shown to exist.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.8	Provide housing opportunities for all household income cohorts throughout Healdsburg while avoiding or mitigating displacement of existing residents.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing



Provide high quality and equitable public services, including public
transportation, crime prevention, police protection, street lighting, street
cleaning, and recreational facilities and programs, throughout the City.

(New, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.10 Continue to limit regulatory and enforcement actions against tenants in deed-restricted and naturally-occurring affordable housing by providing adequate time or extensions to address violations unless there is an imminent threat to public health and safety.

(New, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.11 Continue to implement the City's Reasonable Accommodations Ordinance to ensure that all persons have access to housing of their choice, regardless of ability.

(Existing, Modified, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.12 Ensure that the City's programs and policies continue to improve or eliminate the health disparities of residents in existing disadvantaged communities.

(New, AFFH)

Implementing Programs: HP-6 Affirmatively Furthering Fair Housing, HP-10 Environmental Quality



Goal 7. Achieve a high standard of energy efficiency, water conservation, and 'net-zero' energy and water usage throughout the City, including existing and new development.

This Goal addresses the critical need to assure that both existing and new development reduce and re-source energy supplies to renewable (non-fossil fuel) sources, reduce demand for potable water, and reduce aggregate carbon emissions to address climate change and improve environmental quality.

Policies

Policy 7.1 Expand existing City efforts and vigorously pursue new initiatives to increase water conservation and water supply capacity to both sustain supply for existing rate payers and provide capacity for new housing development.

(New)

Implementing Program: HP-9 Environmental Quality

Policy 7.2 Require energy-efficiency performance in new housing and other development that meets or exceeds minimum State building standards.

(Existing)

Implementing Program: HP-9 Environmental Quality

Policy 7.3 Expand reliance on renewable energy sources for City utilities including solar, geothermal, and cogeneration sources.

(New)

Implementing Program: HP-9 Environmental Quality

Policy 7.4 Provide public information and links to subsidy programs and vendors for energy efficiency improvements and on-site energy saving and production retrofitting options for existing homes.

(New)

Implementing Program: HP-9 Environmental Quality



Policy 7.5 Assist homeowners and businesses with conforming to water conservation measures through public information, workshops, access to needed appliances and equipment, and financing.

(New)

Implementing Program: HP-9 Environmental Quality (new funding may be required)

Policy 7.6 Expand the inventory of electric vehicle charging stations through public investment and requirements on private parking facilities.

(New)

Implementing Program: HP-9 Environmental Quality (New funding may be required)

 Policy 7.7
 Require energy-efficient site development and waste disposal practices.

 (Existing, Modified)

Implementing Program: HP-9 Environmental Quality

Policy 7.8 Include facilities for non-automobile transportation as a part of project approvals and plans, including pedestrian ways, access, and interconnections, on street and dedicated bikeways, and transit options.

(Existing, Modified)

Implementing Program: HP-9 Environmental Quality

Policy 7.9 Require the planting of drought tolerant street trees as a part of all residential development and parking projects and sustain and expand tree canopy in existing Lower-Resource neighborhoods more susceptible to extreme heat due to a lack of street trees.

(Existing, Modified)

Implementing Program: HP-9 Environmental Quality



Housing Programs

The Housing Element Goals and Policies will be implemented through a set of Housing Programs, including continuation of existing programs and related efforts by the City to preserve, improve, and expand housing opportunities in the City. Collectively, the 6th Cycle Housing Programs not only address RHNA, they also support housing production above-and-beyond RHNA, by reducing barriers and constraints and affirmatively furthering fair housing. The 6th Cycle programs have been consolidated into nine major programmatic efforts that incorporate and expand upon the 49 programs presented in the 5th Cycle Housing Element.

Program Implementation Timeline

The Housing Programs are each composed of specific activities and actions that taken as a whole will implement the 6th Cycle Housing Element Update and set the City up for the 7th Cycle as well. These implementing activities and actions fall into several categories including: 1) ongoing existing activities; 2) expanded or new activities; 3) new technical efforts supporting housing development; and 4) new or amended plans and regulations. Program implementation, generally, is and will be ongoing but implementation of new programs will be accelerated to earlier in the Cycle, so that there is an opportunity to monitor progress and make changes to Programs as may be appropriate.

Housing Program 1 – Housing Administration

The City Council has made access to healthy and safe housing for all Healdsburg residents a high priority. To ensure the housing needs of the community are being met, the City has created and funded a Housing Department that administers the City's housing programs and development efforts, including those below. The City will continue to provide the following under Housing Program 1:

- <u>Sustain Partnerships with Other Agencies</u>. During the 5th Cycle, the City strengthened and formed strategic partnerships with experienced housing service providers including Reach for Home, formerly North Sonoma County Services (NSCS), Housing Land Trust of Sonoma County, Fair Housing Advocates of Sonoma County, Corazón Healdsburg, and others. In partnership, these, and other, service providers assist the City in ensuring residents have direct access to:
 - Financial assistance for low-income tenants at risk of displacement,
 - Fair housing services for tenants and landlords,
 - First-time homebuyer assistance for low-income and moderate-income families, and
 - Emergency and transitional housing services.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing partnerships and seek new partnerships as may be appropriate.

2) <u>Continue to Assist Affordable Housing Developers</u>. Efforts will be continued to publicize and provide financial and procedural assistance to affordable housing through land donations and long-term leases, the ongoing fee-deferral program, subsidies for City fees and on- and off-site improvements, loans, and other forms of assistance. Procedural assistance will include publicizing and assisting with available incentives and housing



programs, such as the density bonus ordinance, small subdivision ordinance, and Growth Management Ordinance provisions and procedures.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing efforts to assist and provide local subsidy funding to affordable housing developers on a project-by-project basis as individual affordable housing projects are proposed, approved, and supported by the City, assist 100% of active project proposers citywide in their efforts to secure State and/or Federal funding at least annually throughout the planning cycle.

3) <u>Continue to Administer Fair Housing Programs</u>. The City's ongoing efforts to implement fair housing laws will need to be expanded to meet the full requirements of AB-686. A more active and expansive effort will be required demanding additional staff time. Housing Department staff will produce a comprehensive AFFH plan, that will include the actionable programs to mitigate the Contributing Factors identified within the Fair Housing Assessment, summarized in Section 1 and further detailed in the Technical Background Report.

<u>Timeline category and objective</u>: Ongoing activity; expand existing staff efforts beginning in 2023 by creating and adopting an AFFH Plan by December 2023 and proceeding with implementation immediately thereafter. Annual accomplishments will be documented in each Annual Progress Report.

4) Expand Affordable Housing Monitoring Program. The existing and increasing inventory of affordable housing will require monitoring, typically in cooperation with the developers and owners of the individual affordable housing projects. The objective of this program is to ensure that households continue to qualify for price-restricted rents, consistent with HCD income limits, and that other covenants and obligations are being met.

<u>Timeline category and objective</u>: Ongoing activity; expand existing effort beginning in 2023 to encompass new affordable units coming on-line during the 6th Cycle; complete on-site monitoring for all City-funded projects; expand monitoring services to include entrance and exit surveys to understand need of those served by affordable housing.

5) <u>Prepare Annual Housing Report</u>. Review and report annually on the implementation of Housing Element programs for the prior calendar year and present the annual report to the City Council at a public hearing before submitting the annual report to HCD and the Office of Planning and Research (OPR).

<u>Timeline category and objective</u>: Ongoing activity; annual reports will be prepared by April 1, 2023 through 2031 documenting progress towards meeting RHNA and other 6th Cycle housing policies and programs.

6) <u>Sustain and Expand Financial Resources</u>. The City currently relies upon a variety of funding sources in support of affordable housing development including an allocation of the City's Transient Occupancy Tax, negotiated agreements with developers and Inclusionary Housing Ordinance in lieu fees, and various grant program awards. In addition to these sources the City will continue participation in the Joint Powers Authority

with Sonoma County and other Sonoma County jurisdictions to further City's eligibility for traditional State and Federal funding (e.g., CDBG and HOME programs) and new programs such as California SB-1 Sustainable Communities Grants, the Strategic Growth Council and HCD Sustainable Communities Programs and HCD's Permanent Local Housing Allocation, and regional funding programs offered by ABAG/MTCThese efforts will require applying for regional, State, and Federal grants for affordable housing, providing documentation as needed in support of project applications for State and Federal financial assistance. Continuing prior efforts, the City will continue to evaluate potential new local funding sources, such as JPA and 501(c) (3) bonds for acquisition and new construction and will implement this model in the first two years of the 6th Cycle.

<u>Timeline category and objective</u>: Ongoing activity; expand existing effort beginning in 2023, to identify and establish additional affordable housing funding sources; local funding program implemented by April 2025.

7) <u>Continue to support HEWG</u>. Continue to engage and support the Housing Element Working Group (HEWG) or other successor community focus groups in Housing Element implementation efforts. The HEWG was convened as a public advisory body in support of the 6th Cycle Housing Element update but is being extended by the City Council to serve as a resource to advance policies, implement programs, and support broader community engagement efforts. Specific efforts identified include consideration of options for amending the Growth Management Ordinance, evaluating development capacity and how planning and regulatory measures can increase housing development capacity, strategies for expanding 'middle' housing, expanding funding sources, and considering priorities for new area and specific plans.

<u>Timeline category and objective</u>: Ongoing activity; at least once per calendar year, provide updates to the City Council and seek Council direction on policy; continue existing effort as directed by the City Council.

8) <u>Continue to Advocate for Affordable Housing</u>. The State Legislature remains very active with its housing agenda. The Housing Department will continue to advocate to the State and Federal governments to provide additional financial resources for affordable housing. The City will continue to include its housing related advocacy platform in its Legislative Agenda which is adopted every two years.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing advocacy with annual review of proposed State legislation provided to City Council by June of each year, biannual consideration of amendments to the City's Legislative Agenda, and funding advocacy (e.g. public comment at State allocation hearings) conducted as warranted by local funding needs for specific project(s), the City, or the County of Sonoma.

9) <u>Continue to act as Redevelopment Successor Agency</u>. While most of the assets of the Successor Agency and Housing Successor Agency have been utilized, there are ongoing



responsibilities and obligations of the former Redevelopment Agency. The Housing Department will continue to fulfill this role.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing Successor Agency functions until such time as all related obligations are met and properties divested and/or developed.

10) <u>Pursue Prohousing Designation.</u> Through addressing constraints to development and fair housing opportunities, the City will strive to achieve and maintain the State's Prohousing Designation throughout the 6th Cycle. This designation will provide the City an advantage in applications for competitive funding sources, including the Affordable Housing & Sustainable Communities Program, Infill Infrastructure Grant, and a direct pool of Prohousing Incentive Pilot (PIP) funds available to designated communities. In collaboration with the Napa Sonoma Collaborative (or similar/successor organizations) and local nonprofit organizations, the City will analyze policies and programs needed to exceed the threshold for the Prohousing Designation program and apply in 2023.

<u>Timeline category and objective</u>: Ongoing activity; application submitted in December 2022, and Prohousing designation anticipated in 2023.

Responsibility :	Housing Director
Resources:	Additional staffing and financial resources will be needed
Funding:	General Fund, Housing Fund, and grant funding (as available)
Schedule Summary:	Continuing and expanded efforts initiated in 2023 as documented in the Annual Progress Reports; implementation timing of subprograms noted above.
Geography:	Citywide



Housing Program 2 – Preserving Existing Housing and Neighborhoods

As part of the overall Housing Strategy, preserving existing affordable and market-rate housing is a very high priority because sustaining this housing, both in quantity, quality, and affordability, is generally more cost-effective and less resource-intensive than creating new housing.

<u>Link to Quantified Objectives</u>: The following actions are targeted to result 'no net loss' of existing housing units and in a minimum of 61 units, all 'very low' and 'extremely low income,' to be rehabilitated; and 70 units, 'extremely low,' 'very low,' and 'low,' to be preserved as affordable units during the 6th Cycle.

1) <u>Acquire Multifamily Housing</u>. Recognizing the relatively large stock of market-rate multifamily rental buildings, continue seeking opportunities to purchase and rehabilitate multifamily rental housing buildings to provide these housing units at prices affordable to households at a variety of income levels. The City will proactively monitor the availability of properties on the market and responsively coordinate with property owners interested in selling mutifamily property. Single-family properties with capacity for redevelopment at greater intensity will be considered for conversion to multifamily or supportive housing on an opportunity basis.

<u>Timeline category and objective</u>: Ongoing activity; provide 39 units affordable to Very Low-income households by the end of 2023 within the "Scattered Sites" project discussed in Section 3; sustain existing opportunistic acquisition and rehabilitation actions when housing rental buildings come onto the market or seek the City's assistance. Given history, two or three additional opportunities may occur during the 6th Cycle.

2) <u>Ensure Replacement Housing</u>. Replace any housing units displaced due to a redevelopment project with equivalent housing units, as a condition of approval.

<u>Timeline category and objective</u>: Ongoing activity; assure continuing consistency with Government Code Section 65915 requirements to replace any housing units displaced by development activity on a project-by-project basis; report such loss and replacement on an annual basis beginning in April 2023.

3) <u>Continue to Enforce Mobile Home Park Space Rent Stabilization Ordinance</u>. Continue to enforce the terms of the Mobile Home Park Space Rent Stabilization ordinance (Municipal Code Chapter 2.56) and administer the procedures of the ordinance to ensure the continued preservation of affordability of mobile homes parks within the City.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing Rent Stabilization Ordinance.

4) <u>Continue to Restrict Non-Residential Use of Existing Houses</u>. Continue to enforce the terms of the City's prohibition of vacation home rentals (i.e., fewer than 30 days) in residential zoning districts, and conversions of homes to commercial use (offices, etc.).

<u>Timeline category and objective</u>: Ongoing activity; sustain existing prohibition of vacation home rentals.

5) <u>Measure and Consider Strategies to Mitigate Loss of Housing Stock</u> <u>to Second Homes</u>. As part of implementing this housing program, measure and track the number of existing second-home conversions and report changes annually as part of the Annual Housing Report, beginning in 2023. Identify and pursue actions for mitigating loss of housing to second homes through the presentation of an action plan to City Council.

<u>Timeline category and objective</u>: New technical effort and regulatory action; adopt actions needed to mitigate the loss of housing to second home use including identification of needed funding source(s) not later than end of year 2024.

6) <u>Continue to Reduce Wildfire Risk</u>. In collaboration with the City Fire Department, regional agencies, CalFire, and organized property owner groups, and building upon existing efforts, adopt and implement additional programs and related investments that reduce wildfire hazards, consistent with the City's General Plan Safety Element update.

<u>Timeline category and objective</u>: Ongoing inter-agency coordination and new plan and regulation; initiate and complete Safety Element Update addressing wildfire hazard reduction and reslience not later than June 2024.

Responsibility :	Housing Director, Housing Department, and Community Development Department		
Resources:	Ongoing effort, non-residential use restrictions will require legal and technical support		
Funding:	General Fund, Housing Fund, and new local funding		
Schedule Summary:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above		
Geography:	Citywide; subprogram geography in relation to location of existing multifamily development, new housing development for replacement units, mobile home parks, and wildfire risk concentrated in the wildland-urban interface (WUI) along Healdsburg's eastern edge		



Housing Program 3 – Sustaining and Expanding Housing Sites

The primary intent of the State Housing Law that requires adoption of Housing Elements by cities and counties is assuring adequate sites for a prescribed (through the Regional Housing Needs Allocation) amount of housing affordable to the full range of household income categories.

<u>Link to Quantified Objectives</u>: The following actions are targeted to result 'no net loss' of existing housing sites and in a minimum of new 50 'middle income' units to be built as second units on exiting housing lots during the 6th Cycle.

1) <u>Maintain Adequate Residential Sites to Assure "No Net Loss".</u> Monitor the supply of residential sites and related development projects to ensure that sufficient developable sites and units are available to meet the 6th Cycle RHNA requirement. Building upon the existing effort, maintain and expand a detailed listing of sites available for housing development and use this list to assure RHNA requirements are met and also to attract residential developers to the City. Also, assure 'No Net Loss' of residential units by disallowing or mitigating any loss of housing due to redevelopment of existing areas containing housing units.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing Residential Sites and assure 'not net loss' as the result of their development; potential changes to the Housing Element Sites Inventory reported in the APR by April 1 of each year through 2031.

2) <u>Pursue Housing Site Acquisition/Land Banking</u>. On an opportunistic basis, purchase sites or otherwise acquire sites with housing potential as part of efforts to partner with affordable housing developers and consider formation of or participation in a local or regional Housing Trust and/or Community Development Corporation to facilitate such transactions.

<u>Timeline category and objective</u>: Expand existing activity; continue to identify potential housing sites opportunistically where City ownership would facilitate affordable housing production throughout the 6th Cycle; provide Council with action items regarding a Housing Trust and/or Community Development Corporation by December 2025.

3) <u>Convert Hotels and Motels.</u> As part of a long-term recovery response to COVID-19, support the acquisition of hotels and motels to be converted into housing units and made available for people experiencing homelessness at rents affordable to extremely low-income households. Provide committed assistance (\$7.2 million in Project Homekey funds) for this conversion, and ensure that these units meet the requirements of Government Code 65583.1(c) for hotel, motel, or hostel conversion.

<u>Timeline category and objective</u>: Provide 22 units by 2023 within the "L&M" project discussed in Section 3.

4) Provide Public Information on ADUs, SB 9, and Other Opportunities and Incentives for Homeowners to Increase Housing Onsite. In addition to promoting ADUs, provide information about SB 9 (2021), which allows property owners to split a single-family lot into two lots, and AB 917 (2022), which allows the conversion of existing living space to up to two bedrooms without a

public hearing. The City will prepare and distribute informational brochures and update the City's website on the permitting procedures, requirements, and support available by 2024.

<u>Timeline category and objective</u>: New technical activity; as part of Housing Development Capacity Study identify parcels with potential for additional housing unit(s) and complete informational brochure and website information not later than the end of 2024.

Responsibility :	Housing Director, Housing Department, and Community Development Department		
Resources :	Ongoing effort		
Funding :	General Fund and Housing Fund		
Summary Schedule:	Continuing, as documented in the Annual Report on Housing Element; implementation timing of subprograms noted above.		
Geography:	Citywide		



Housing Program 4 – Expanding Housing Development Capacity

While the existing inventory of housing sites has been shown to be adequate to meet the 6th Cycle RHNA requirements, the City is committed to expanding development capacity to meet current and future housing needs. A range of opportunities exist for expanding housing development potential even within the confines of the City's Urban Growth Boundary (UGB).

<u>Link to Quantified Objectives</u>: The following actions are targeted to substantially expand the City's housing development capacity during the 6th Cycle, allowing construction of housing units over and above RHNA, and consistent with the overall Quantified Objective of 970 units for New Construction.

 <u>Conduct Development Capacity Study</u>. Conduct a 'development capacity and opportunity study' for the City that identifies existing housing development opportunities and visually demonstrates how zoning and other legislative and regulatory tools can unlock development opportunities.

<u>Timeline category and objective</u>: New technical activity; initiate and complete Housing Development Capacity Study by end of 2024.

- 2) Adopt Development Code Amendments. There are a variety of opportunities to amend the City's Land Use Code that can expand housing development capacity and reduce constraints, including increasing the maximum density of selected base zoning districts to 30 units (or more) per acre to better reflect the density needed for multifamily rental housing. While not required to meet the 6th Cycle RHNA, this effort can provide additional opportunities during this Planning Cycle and beyond.
 - Strengthen 'use-by-right' provisions of all zoning districts and limit use of conditional use permits; replacing them with ministerial objective design standards.
 - Review and update parking requirements for all residential districts.
 - Update the City's Density Bonus Ordinance to conform to current State Density Bonus Law and provide additional local bonus provisions to incentivize moderate and middle-income housing projects.
 - As an alternative to increasing maximum densities on selected parcels, create an workforce housing overlay zone or similar overlay district for areas suitable for higherdensity multifamily housing development.
 - Review existing minimum density standards in residential districts and increase these minimums to assure better utilization of development capacity, particularly within higher-resource areas.
 - Amend the City's Land Use Code to conform to current State development standards and approval procedures for accessory dwelling units (ADUs).



- Amend the City's Land Use Code to allow residential care facilities for 7 or more individuals by right, subject to only objective, transparent criteria so as not to constrain the opportunity of large households and households containing people with disabilities.
- Prepare and adopt a code amendment to allow low barrier navigation centers by-right where required and to amend the standards for homeless shelters for consistency with State law. As needed, amend parking requirements and management standards for emergency shelters pursuant to State law, including SB 2, AB 139, and Government Code 65583, subdivision (a)(4)(A).
- The City's Land Use Code already allows transitional and supportive housing in the Single Family (R1) zoning district; however, the City will review and amend as needed to ensure consistency with State law.

<u>Timeline category and objective</u>: Amended regulation action; initiate code amendments by the end of 2023, and complete Development Code amendments by end of 2025.

3) <u>Rezone Existing Sites with Housing Potential</u>. Rezone properties to allow higher density housing where such development is compatible with surrounding uses.

<u>Timeline category and objective</u>: Ongoing and expanded regulation action; continue considering rezoning of individual sites suitable for higher density development and proceed with programmatic rezoning following adoption of amended Development Code in 2025.

- 4) <u>Prepare and Adopt Area Plans and/or Specific Plans</u>. Evaluate and prioritize preparation and implementation of Area Plans or Specific Plans for portions of the City where such planning can substantially add to the housing development capacity. These areas include:
 - Central Healdsburg Area
 - North Healdsburg Avenue Area
 - South Entry Area

As these plans are complex and require substantial policy, technical, review, and implementation efforts, schedule the completion of those plans selected in priority order.

<u>Timeline category and objective</u>: New planning and regulation action; select, initiate, and complete a minimum of one of the identified area plans by 2030.

5) <u>Pursue Development of 'Housing Opportunity Sites' through Partnership with Other</u> <u>Public or Private Entities</u>. Identify and evaluate potential sites (e.g., Foss Creek Community Center site, Healdsburg Hospital site, Station Area site, and other City-owned property) for potential development partnerships that focus on providing local employee housing. If feasible, civic functions (e.g., a community center, recreation facilities, libraries, etc.) that are adjacent to or incorporated as part of the site plan may enhance amenities.

<u>Timeline category and objective</u>: New planning and regulation action; select, pursue, and complete planning and regulations for a minimum of two opportunity sites by 2030.



Responsibility :	Community Development Department			
Resources:	Substantial costs will be incurred to complete the technical, planning, and environmental review required to implement this Program			
Funding:	General Fund, Housing Fund, and land/developer-based sources			
Summary Schedule:	Development Capacity Study, Code amendments completed during the 6th Cycle; rezoning and plans initiated during 6th Cycle; implementatio timing of other subprograms noted above.			
Geography:	Citywide; specific plan geographies as identified			



Housing Program 5 – Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households

During the 5th Cycle, the City not only maintained sufficient sites and development capacity to achieve RHNA, the City focused on getting affordable units built and largely met the 5th Cycle RHNA requirements and the Quantified Objectives.

<u>Link to Quantified Objectives</u>: The following actions are targeted to assure construction of 330 'extremely low, 'very low,' and 'low' income units; construction of 640 'moderate' and 'above moderate; units and, as a part of these units, expand ADUs by a minimum of 110 units and housing ownership opportunities to a minimum of 98 local households.

 <u>Continue to Implement the Inclusionary Housing Ordinance (IHO).</u> Continue to implement the recently amended IHO, which requires Moderate- and Middle Incomeunits in for sale projects and Low- and Moderate-income units in rental projects and prepare and act upon any revisions to the inclusionary housing requirements as needed to further incentivize middle-income units.

<u>Timeline category and objective</u>: Ongoing activity; develop, act upon and implement amendments to the Inclusionary Housing Ordinance by 2025.

2) <u>Manage Construction of Affordable Housing Development</u>. The development of pricerestricted affordable housing projects requires considerable planning review, transactional support, and administrative effort. Fortunately, many of the projects that will be completed during the 6th Cycle have already been planned and funded, reducing this effort. However, there will be ongoing management efforts to ensure the projects are completed as expected and new projects are supported. The City may contract with organizations or consulting firms that assist with construction management and administration of affordable housing projects and tenanting.

<u>Timeline category and objective</u>: Ongoing activity; assure that ongoing and additional affordable housing projects are efficiently and effectively managed throughout the 6th Cycle by tracking units planned and units constructed per Housing Department staff person and monitoring ratios over time, using 2023 as a base year.

3) Incentivize Affordable Accessory Dwelling Units. Create an affordable accessory dwelling unit incentive program to encourage property owners to deed-restrict secondary dwelling units as affordable rental housing for lower- or moderate-income households. The program will focus on lowering ADU costs though pre-approved plans, modular units, and financing programs. As part of this program, the City will complete an inventory and evaluation of ADU capacity and trends in the City, establish a monitoring program that documents ADUs created year-to-year, and ensure the long-term affordability is maintained in any ADUs where City financial support is offered.

<u>Timeline category and objective</u>: Ongoing and expanded activity; building upon current efforts, complete the ADU Incentive Program not later than end of year 2024. It is expected that given the average number of permitted ADUs in the past five years, and relying on



ABAG's "safe harbor" allowances, 110 ADU units will be created in the City during the 6th Cycle.

- 4) <u>Develop Moderate and Middle-Income Housing</u>. Creating middle-income housing (up to 160% AMI) is challenging due to the high costs of development, particularly in Healdsburg with its high median housing prices and high land cost. It is also the case that necessary price restrictions associated with public subsidies can deter market attractiveness of such homes. This program has the following elements:
 - **Expand Affordable Housing Projects to include 'mixed-income' housing projects**. Existing partnerships with affordable housing developers could be expanded to include 'mixed-income' units that would be affordable to middle-income households.
 - Utilize Land Trust Model. Expand cooperation with the Housing Land Trust of Sonoma County (or similar organizations) that use a land trust-based financing model to promote opportunities for ownership housing.
 - Employer-Provided Housing. Consider options for creating, in partnership with local employers, employer-provided or subsidized housing for local workers, including teachers, public safety employees, medical staff, etc.
 - Developing Subsidy Options. In most cases, substantial, local sources of funding and financial subsidies will be required to achieve middle-income housing objectives. There are a range of techniques used including 'silent second mortgages,' equity sharing agreements, lease-purchase options, etc., that can be explored and shaped to meet local circumstances.
 - Target Opportunity Sites for Middle-Income Housing. One or more of the Opportunity Sites that have been identified for affordable housing could be developed for middle-income housing, all or in part (mixed-income).

<u>Timeline category and objective</u>: New technical activity and related regulatory actions; integrate 'middle income' housing, including opportunities for ownership housing in the related Program implementation efforts; facilitate construction of a minimum of 50 middle income ownership housing units during the 6th Cycle (before 2030).

5) <u>Facilitate Streamlined Development</u>. The City will continue ongoing practices for priority processing and increase opportunities for streamlining the development process, including no- cost housing pre-application meetings with all relevant departments, and fast-tracked priority processing for ADUs and affordable housing developments. In addition, the City will develop a written application process, including the pre-application and the procedure that will be used. This process will provide a streamlined ministerial approval process to qualified residential and mixed-use development projects under State laws including SB 9, SB 35 (Gov. Code § 65913.4, as amended), SB 330, and AB 2162. The written procedures and checklists will be developed and made available on the City's website, and revised as additional laws modify or expand eligibility.

<u>Timeline category and objective</u>: Ongoing technical and regulatory activity; integrate 'streamlining' provisions in all planning and regulation actions and develop and adopt standardized streamlined application process not later than end of year 2023.

Responsibility :	Housing Director, Housing Department and Community Development Department
Resources:	Ongoing effort
Funding:	General Fund, Housing Fund
Summary Schedule:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above.
Geography:	Citywide



Housing Program 6 – Affirmatively Furthering Fair Housing

The City has an ongoing fair housing program that will be expanded to meet the requirements of AB-686 and other new State laws. Key to this expansion is taking a more proactive approach to fair housing administration and addressing the full range of fair housing policy and statutory requirements.

1) <u>Refer Fair Housing Complaints</u>. Continue to refer fair housing complaints to the State Department of Fair Employment and Housing, Fair Housing Advocates of Northern California, and legal services.

<u>Timeline category and objective</u>: Ongoing technical activity; Respond to complaints within 48 hours; Continue effort throughout the 6th Cycle.

2) <u>Provide Non-Discrimination Clause and Mandate Fair Housing Practices</u>. Provide nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with City subsidy or through the IHO and mandate the implementation of fair housing practices in contracts with affordable housing developers.

<u>Timeline category and objective</u>: Ongoing technical activity; Continue effort throughout the 6^{th} Cycle.

3) <u>Disseminate Fair Housing Information</u>. Create a landing page on City's website and disseminate fair housing information through multilingual posters, brochures, forms, and landlord/tenant handbooks from the State Department of Fair Employment and Housing and Fair Housing Advocates of Northern California in public locations and provide links on the City's website.

<u>Timeline category and objective</u>: Expanded technical activity; develop and disseminate fair housing information to assure citywide reach, developed by December 2023 and continuing with annual review for updates to fair housing law througout the 6th Cycle.

4) <u>Conduct Spanish Language Outreach</u>. Conduct outreach efforts for the City's affordable housing programs in Spanish as well as English and publicize the programs through organizations representing Spanish-speaking residents. Additionally, seek bilingual staff to support the Housing Department in outreach.

<u>Timeline category and objective</u>: Expanded technical activity; bilingual staff in place, continue translation of policy and program documents througout the 6th Cycle.

5) <u>Provide Utility Discounts for Lower-Income Households</u>. Continue to discount the electric, water and sewer utility and storm drainage maintenance charges to lower-income households and affordable residential projects.

<u>Timeline category and objective</u>: Ongoing technical activity; continue existing discounted rates througout the 6th Cycle.

6) <u>Conduct Code Enforcement</u>. Continue to investigate complaints and take action concerning Code Enforcement violations to encourage rehabilitation of substandard residential properties by homeowners and landlords and improve overall housing quality and conditions in the City.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue existing code enforcement efforts througout the 6^{th} Cycle.

7) Improve Infrastructure in Lower Resource Areas. Continue street, sidewalk, recreation and other infrastructure improvements and maintenance. Consistent with the City's Capital Improvement Program, prioritize improvements in low- and moderate-income neighborhoods of the City and in proximity to new affordable housing developments.

<u>Timeline category and objective</u>: Ongoing technical activity; continue infrastructure improvements in Low Resource Areas throughout the 6th Cycle; pursue grant funding sources including the Infill Infrastructure Grant (IIG) program on an annual basis, and apply as project needs align with funding criteria.

Responsibility :	Housing Director, Community Development Department			
Resources:	Expansion of City AFFH efforts will require additional staffing and suppor from collaborating agencies			
Funding:	General Fund and Housing Fund			
Summary Schedule:	Service expansion to begin in FY 22-23; implementation timing of subprograms noted above.			
Geography:	Citywide; emphasis in lower-resource areas, low-income households throughout all resource areas, and direct outreach to Spanish-language households			



Housing Program 7 – Removing Housing Constraints

Both governmental and non-governmental constraints limit housing development potential, increase costs, and inhibit the development of housing at all income levels. This Program seeks to remove these constraints through regulatory reform, infrastructure investments, and broadening the sources of funding available to remove constraints and incentivize housing production.

<u>Link to Quantified Objectives</u>: The following actions are targeted to expand the number of marketrate housing units above the existing 30 unit per year limit, amending fees to be proportional to unit size, and to reduce costs and risks related to environmental review.

 <u>Update and Reform Development Impact Fees and Charges</u>. Review and update City Development Impact Fees and Connection Charges. Conduct economic analysis to determine the burden that such fees place on new development and seek ways, consistent with AB-602, to reduce the burden, particularly on affordable and middleincome housing development while at the same time assuring adequate funding for needed infrastructure. Ensure transparent development impact fees are available on the City's website.

<u>Timeline category and objective</u>: New regulatory action; update City development impact fees and connection charges, and publish fee schedules on the City's website to be compliant with AB-602 and to align with other Programs by the end of year 2023.

2) Promote and Utilize Exemptions to the Growth Management Ordinance. The GMO, as currently configured, exempts affordable housing units and allows construction of rental housing above its 30 unit per year limit on market rate housing. In addition, encourage housing developments of ten or fewer units, as they are exempt from the GMO under the regulatory provisions of SB 10 and provide a flexible option for amending the City's high propensity of R1 zoning.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to educate the community about how GMO exemptions have been and can be utilized througout the 6th Cycle; present SB 10 options to City Council concurrent with Development Capacity Study completed by the end of 2024 (see Program 4.1), and adopt any resulting ordinance prior to SB 10 sunset on January 1, 2029.

3) Evaluate Potential Amendments to the Growth Management Ordinance. Present amendments to the GMO to add further exemptions or increase the development cap above the existing 30 units per year for market-rate residential. The City will evaluate and consider specific amendments that further reduce constraints imposed by the GMO and thus promote housing availability and affordability.

<u>Timeline category and objective</u>: Amended regulation action; evaluate and select amendments to the existing GMO resulting in an increase in annual market rate units allocated by end of year 2026; present options to City Council for ballot measures amending/eliminating the GMO in the 2024, 2026, 2028, and 2030 primary and general elections by February of each year unless rendered inactionable by a prior election; on an



ongoing basis, monitor and present any legislative proposals to modify the Housing Accountability Act or other State law which may alter or nullify the provisions of the GMO.

4) <u>Evaluate Infrastructure Readiness and Capacity</u>. Conduct evaluation of roads, utilities, and other infrastructure needed to support expanded development capacity, as proposed in this Housing Element Update, and add required projects to the City's long-range capital improvement plans or the Capital Improvement Program.

<u>Timeline category and objective</u>: New technical activity; concurrent with the preparation of the the Developmet Capacity Study, evaluate related needs for infrastructure improvements and add such improvements to the City's Capital Improvement Program, impact fee project lists, and project or plan related infrastructure improvement programs.

5) Prepare Program-Level Environmental Impact Reports. Develop procedures for preparing 'program environmental impact reports' (EIRs). Such program EIRs can reduce the time and expense of preparing project-level EIRs by limiting the scope of environmental review on individual projects covered by the program EIR. Program EIRs are suitable where one large project, such as an area or specific plan, can be characterized geographically. The project may involve a chain of subsequent individual projects carried out under the same authorizing statutory or regulatory authority which may have generally similar environmental effects, and which can be pre-mitigated in similar comprehensive ways.

<u>Timeline category and objective</u>: New technical and regulatory activity; concurrent with the preparation of the the Development Code amendments, rezoning, and development of specific or areas plans prepare program EIRs that minimize the need for project-specific environmental review and EIR preparation.

Responsibility :	Community Development Department, Public Works and Utility Departments, City Council
Resources:	Additional staff or technical consultant effort required along with potentially substantial capital improvements to improve development readiness
Funding :	General Fund, Road Fund, Utility Funds, and new Citywide sources
Summary Schedule:	Continuing, as documented in the Annual Report on Housing Element; implementation timing of subprograms noted above.
Geography:	Citywide; GMO amendments may designate specific areas for exemption; program-level EIRs on basis of project or specific plan, as applicable



Housing Program 8 – Extremely Low-Income, Homeless, and Special Needs Housing Program

Diligent efforts are required to meet the needs of extremely low-income, homeless, and special needs individuals and households. The 6th Cycle Quantified Objectives include 386 low and very-low income units exceeding the City's 6th Cycle RHNA requirements. The extremely low, homeless, and special needs require special effort. The City has created extremely low income units by identifying opportunities to acquire and renovate market-rate housing and deed restrict, deepening subsidies to affordable housing developers and other methods. Additionally, The City, in cooperation with County and regional agencies, has an active countywide Program that can be expanded as technical financial resources are made available.

<u>Link to Quantified Objectives</u>: The following actions are targeted to assuring that the 75 'extremely low' units are developed in the 6th Cycle; that all affordable price restricted units conform to Universal Design Standards; and that additional transitional housing units are developed as opportunities emerge.

1) <u>Develop Extremely Low-Income Housing</u>. Promote housing for extremely low-income households by encouraging and supporting funding applications for developers of permanent supportive housing, and by continuing to provide for housing with supportive services, single-room occupancy housing, and shared housing in the Zoning Ordinance.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to integrate Extremely Low Income Housing in affordable housing projects and development of supportive housing projects to support the development of at least 83 extremely-low income units over the planning cycle as required by RHNA.

 Provide Disabled-Access Units. Enforce Building Code requirements for the inclusion of accessible units in residential development projects that are subject to such requirements.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue efforts to create accessible and universal design features in affordable housing projects, special needs housing, and supportive housing projects.

3) <u>Provide Emergency and Transitional Housing</u>. Work with appropriate agencies and groups to provide temporary and transitional housing and support services for the homeless in Healdsburg.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to provide temporary and transitional housing and support services in Healdsburg.

4) Provide Assistance to Female Head of Households. Based on identified needs of female heads of households (see **Appendix C**), and specifically single female heads of households with children, conduct targeted outreach regarding the City's housing programs and opportunities, and work to incorporate on-site amenities in new residential developments that benefit this special needs population (e.g., in-unit laundry, onsite childcare, outdoor play structures, etc.).



<u>Timeline category and objective</u>: New technical and regulatory activity; assess the needs of female head-of-households in Healdsburg; conduct outreach to daycares and preschools (using City's business license database) to inform female heads of household regarding available programs and housing opportunities beginning in 2023.

5) <u>Provide Farmworker Housing</u>. Work with appropriate agencies and groups to provide housing and support services for farmworkers in Healdsburg. Evaluate the community's farmworker population including farmworker jobs within the community to identify the need for farmworker housing by type and size and establish outreach to farmworker employers to match potential tenants to housing opportunities. The City will amend the City's Land Use Code, as applicable, to permit employee housing of up to 36 beds or 12 units as an agricultural use.

<u>Timeline category and objective</u>: New technical activity; in cooperation with the County, other public agencies and community-based organizations conduct evaluation of local farmworkers, to be completed not later than 2024 and provide farmworker housing needs in affordable and opportunity site projects; City participating in Association of Bay Area Governments (ABAG) farmworker housing cohort commencing in February 2023 to facilitate the identification of action(s) to bring to City Council by February 2024; support applications for the project-based Joe Serna, Jr. Farmworker Housing Grant (FHWG) Program as eligibility opens and local projects qualify for farmworker housing financing.

6) <u>Publicize Senior Housing Resources</u>. Provide information to the public on resources available to seniors, including local subsidized senior housing, senior housing providers, and fair housing assistance.

<u>Timeline category and objective</u>: Expanded technical activity; continue efforts to inform the City's senior population regarding housing resources and opportunities in Healdsburg; conduct outreach on housing-related initiatives in coordination with the City's Senior Advisory Committee and Healdsburg Senior Center at least annually.

7) <u>Participate in Countywide Homeless Survey</u>. Participate in annual comprehensive surveys of the County's homeless population.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to cooperate with the County in funding and conducting homeless surveys and outreach efforts including the Sonoma County point-in-time count conducted each February.

8) <u>Implement Countywide Homeless Plan</u>. Participate in the Sonoma County Continuum of Care Strategic Planning process and continue to implement the strategies outlined in the Northern Sonoma County Homelessness Plan.

<u>Timeline category and objective</u>: Ongoing technical and regulatory activity; continue implementation efforts for the Countywide Homeless Plan including Housing Department participation on the countywide Continuum of Care Board.

9) Develop Housing for Persons with Disabilities and Promote Universal Design Guidelines. Reach out annually to developers of supportive housing to encourage development of projects targeted to persons with disabilities, including developmental disabilities. Support applications for County, State, and Federal funding for housing construction and rehabilitation for persons with disabilities, including developmental disabilities. Promote Universal Design guidelines to maximize the number of units that are accessible to persons with disabilities.

<u>Timeline category and objective</u>: New regulatory action; require universal design quotas pursuant to ADA and State standards in new development agreements by December 2023; assemble, promote and provide action items to City Council on implementation of Universal Design Guidelines by April 2026.

10) <u>Coordinate with the North Bay Regional Center</u>. Work with the North Bay Regional Center to implement an outreach program informing residents of the housing and services available for persons with developmental disabilities. Make information available on the City website.

<u>Timeline category and objective</u>: Expanded technical activity; in cooperation with the North Bay Regional Center, implement an outreach program not later than December 2024.

11) <u>Provide Incentives for Disabled Access</u>. Adopt incentives for accessory dwelling units that are designed to be accessible for people with disabilities. Incentives may include, but are not limited to: universal design, first floor bedroom/bathroom configurations, reduced setbacks, and/or reduced fees.

<u>Timeline category and objective</u>: Expanded regulatory activity; develop incentives to homeowners building ADUs to include Universal Design and other accessibility features in ADUs, create incentive program by 2024. The City will make its reasonable accommodation form available and easily accessible on its website by December 2023.

12) <u>Allow Employee Housing</u>. Amend the Zoning Ordinance to allow employee housing for six or fewer employees as a permitted use in the City's Mixed Use and Office zones to comply with California Health and Safety Code 17000, et seq.

<u>Timeline category and objective</u>: Expanded planning regulatory action; as part of Development Code amendments and opportunity site identification and development, allow employee housing in Mixed Use and Office zoning districts as part of changes to Development Code completed by December 2024.

13) <u>Eliminate Constraints to Emergency Shelters</u>. Review and amend parking standards for emergency shelters to ensure compliance with SB 2 and mitigate potential constraints to the development of emergency shelters. As necessary, the City will conduct outreach to relevant stakeholders such as service providers.

<u>Timeline category and objective</u>: Expanded regulatory action; review and make regulatory changes to Develoment Code by December 2024.

Responsibility :	Housing Director, Housing Department, and Community Development Department		
Resources:	Continuation of existing efforts		
Funding:	General Fund, Housing Fund, and Grants		
Summary Schedule:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above.		
Geography:	Citywide and regional; farmworker housing to provide support to residents/workers in greater Healdsburg area, potentially beyond City limits; regional coordination with homeless services providers conducted on countywide basis with emphasis on Northern Sonoma County		



Housing Program 9 - Environmental Quality and Conservation Program

This Program encompasses continuing efforts to assure a high level of environmental quality in the City while recognizing and respecting the costs that may be imposed as part of this effort.

1) <u>Implement CalGreen Program</u>. Ensure that the designs and construction practices for new residences and additions to existing residences comply with the California Green Building Standards Code.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue application of California Green Building Standards Code.

2) <u>Provide Solar Access</u>. Include an evaluation of consistency with Subdivision Map Act Section 66473.1 in staff reports to ensure residential subdivision applications provide for solar access.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue requirements for solar access in all residential projects.

3) <u>Provide and Publicize Energy Audit Program</u>. Continue to provide and publicize the Energy Audit Program services to homeowners and landlords.

<u>Timeline category and objective</u>: Ongoing technical activity; continue to provide and publicize the City's Energy Audit Program with information available on the City's website by December 2025; utilize program in at least two affordable housing developments by December 2023.

4) <u>Provide and Publicize Energy Efficiency Rebate and Weatherization Programs</u>. Continue to publicize and administer State rebates for energy-efficient lighting fixtures and light bulbs, electric water heaters, air conditioners, heat pumps, appliances and photovoltaic systems, water storage, greywater systems, and weatherization of existing homes.

<u>Timeline category and objective</u>: Ongoing technical activity; continue to provide and publicize the City's Energy Efficiency Rebate and Weatherization Programs with information available on the City's website by December 2025; utilize program in at least two affordable housing developments by December 2023.

5) <u>Construct Pedestrian and Bicycle Facilities</u>. Include projects in the annual Capital Improvement Program and apply annually for CDBG funding to support projects that provide safe walking and bicycling facilities between housing and commercial, educational, and transit destinations.

<u>Timeline category and objective</u>: Expanded technical and regulatory action; continue construction of pedestrian and bicycle facilities in the City as part of project development and the City's Capital Improvement Program, incrementally during the 6th Cycle.



Responsibility :	Community Development Department, Public Works			
Resources :	Continuation of existing efforts			
Funding:	ng: General Fund and Housing Fund			
Summary Schedule:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above.			
Geography:	Citywide; pedestrian and bicycle facilities in relation to new housing projects			



Quantified Objectives

The Housing Element is required by State statute to include 'quantified objectives' that estimate and set targets for the number of units likely to be constructed, rehabilitated, and conserved/preserved by income level during the planning period. Beyond addressing RHNA site capacity requirements, quantified objectives can include targets for actual construction of housing units, specifying the types of housing units, objectives for preserving and conserving existing affordable housing units, and objectives for meeting other housing needs. The quantified objectives do not represent a ceiling, but rather set numerical objectives for the City to achieve during the 6th Cycle.

Healdsburg has set forth Quantified Objectives that exceed its RHNA, as shown on Table 3.

New Construction [1]	Rehabilitation [2]	Conservation/ Preservation [3]	Total
33	22	20	75
135	39	25	199
162		25	187
76			76
564			564
970	61	70	1,101
	[1] 33 135 162 76 564	[1] Rehabilitation [2] 33 22 135 39 162 76 564	[1] Rehabilitation [2] Preservation [3] 33 22 20 135 39 25 162 25 76 564

Table 3: Summary of Quantified Objectives

[1] New construction includes pending, approved, and permitted units (810 units), projected ADUs (110 units), and above-and-beyond objectives (50 units) for middle-income ownership housing, and small-lot infill and second housing units.
[2] Rehabilitation includes the L&M Village (22 units) and the Scattered Sites Project (39 units).

[3] Conservation/Preservation includes conserving 70 existing, affordable mobile home units in the City that are not part of the City's RHNA strategy but are included as a Quantified Objective.

Sources: City of Healdsburg; ABAG.

Objective 1 – Maintain Housing Sites

Maintain adequate sites and development capacity documented in this Housing Element Update as necessary to accommodate, at a minimum, Healdsburg's RHNA throughout the Planning Period, including site capacity for 190 extremely-low and very low-income units, 109 low-income units, 49 moderate-income units, and 128 above moderate-income units for a total of 476 units.

- The Sites Analysis (see Section 3) documents that sites necessary to meet the RHNA presently exist in the City and, moreover, are largely already in the development pipeline. This favorable situation reflects the earlier efforts by the City to secure housing sites and also process several large-scale development projects.
- The Housing Programs that support this Objective include Housing Program 3 -Sustaining and Expanding Housing Sites, in recognizing that housing sites to meet the 6th Cycle RHNA requirements are secure, entitled, or under construction focuses on assuring 'no net loss' of sites, further efforts to secure future housing sites, and expanding

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efforts to promote ADU construction; and Housing Program 4 -

Expanding Housing Development Capacity, which focuses upon development code amendments, area and specific plans, and development of selected opportunity sites.

Objective 2 – Construct New Housing Units to Exceed RHNA

Construct the number of units equaling or exceeding the quantities by income group specified in the City's RHNA, as assigned to the City by the Association of Bay Area Governments.

The quantified objectives for housing construction encompass the new units that will be constructed in the City of Healdsburg by the City through cooperation with non-profit developer partners, by market-rate housing developers, and by homeowners who construct new ADUs or other secondary units. On average, approximately 121 units are needed in each of the eight years of the Planning Period to achieve the 970-unit Objective for New Construction, shown in **Table 3**.

There are currently 5,436 existing housing units in Healdsburg (Census, ACS 2021), and the construction of 970 new units will increase the City's current housing inventory by 17.8 percent.

Housing Programs that support this Quantified
 Objective include Housing Program 5 - Developing Housing Affordable to Very Low,
 Low, Moderate, and Middle-Income Households, which among other efforts focuses upon managing housing construction projects in the 'development pipeline' to assure that overall production and price-restricted affordable units are completed as planned and approved.

Objective 3 – Permit and incentivize a diversity of housing types and development strategies Meeting the housing construction objective shown in **Table 3** will involve construction of a variety of housing types meeting the needs of each of the income groups as reflected in the RHNA requirement. However, in addition to meeting the RHNA numerical requirements, the City envisions 'going beyond' the RHNA, particularly to meet the pressing housing needs of moderate and middle-income households. **Table 4** shows housing quantitative objectives by housing type totaling 970 units, which exceeds RHNA.

- Setting quantified objectives for these housing types and is in the spirit of the City's Housing Action Plan and provide the City with an important guideline and targets for future planning regulatory reform, rezonings and specific plans and individual housing project development. In addition to new housing units intended to meet the RHNA-based construction objectives, these housing types advance the City's goals to build more housing appropriate for the missing middle-income households.
- The Housing Programs that support this Quantitative Objective include Housing Program 4

 Expanding Housing Development Capacity which explicitly requires that development code amendments, plans, and City-sponsored projects all focus on creating a diversity of housing types serving the full range of income category households, and Housing Program 5 Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households, which comprises efforts to incentivize and subsidize needed affordable and middle-income household housing units.



Table 4: New Construction by Housing Type

Housing Type	Income Group Targeted	Number of Units	Percentage Total Units	Annual Average	Housing Program Linkage
Price-restricted Multifamily Rental Units [1]	Primarily Low- and Very Low- Income Households	263	27%	33	Housing Program 5 - Affordable and Middle-Income Housing Development
Market-rate Multifamily Rental Units (including senior housing) [2]	Middle Income Households (80% to 160% AMI)	449	46%	56	Housing Program 5 - Affordable and Middle-Income Housing Development
Middle-income Ownership Housing [3]	Middle Income Households (80% to 160% AMI)	98	10%	12	Housing Program 5 - Affordable and Middle-Income Housing Development
Accessory Dwelling Units [4]	Extremely Low, Very Low, Low, Moderate- Income Households	110	11%	14	Housing Program 3 - Sustaining and Expanding Housing Sites
Small lot Infill and Second Housing Units [5] Total [6]	Middle Income Households (80% to 160% AMI)	50 970	5%	6	Housing Program 3 - Sustaining and Expanding Housing Sites

[1] Includes pending, approved, or permitted rental units affordable to lower-income households.

[2] Includes pending, approved, or permitted rental units affordable to Moderate-income and Above Moderate-income households.

[3] Includes pending, approved, or permitted ownership units affordable to Moderate-income and Above Moderate-income households.

[4] Includes ADUs credited towards RHNA.

[5] Reflects the City's above-and-beyond objective.

[6] Reflected total of Annual Average may not equal sum of numbers in column due to rounding.



Objective 4 – Conserve and Preserve Affordable Units

Conserve 70 existing affordable units and preserve affordability restrictions.

- This Quantified Objective includes a number of opportunities, including 1) conserving the 70 mobile homes protected by the City's Mobile Home Park Space Rent Stabilization Ordinance, which are important sources of non-deed-restricted affordable housing in the community, and 2) monitoring and extending, where feasible, the affordability restrictions of units at risk of converting to market rate during the eight-year planning period (2023-2031). There are not any units at risk of converting to market rate during the planning period, but the City will monitor closely.
- This Quantified Objective is supported by Housing Program 2 Preserving Existing Housing and Neighborhoods, which focuses upon replacing any housing units lost due to commercial or institutional construction, maintaining restrictions on mobile home site rents, and restricting conversion of existing homes to commercial or lodging uses.

Objective 5 – Rehabilitate Existing and Newly-Acquired Units

Rehabilitate a minimum of 60 existing housing units during the Planning Period (on average, 7 or 8 units per year during the Planning Period) so that existing and newly acquired affordable units remain affordable and habitable.

- This Quantified Objective can be met in several ways, including 1) acquisition of existing market rate multifamily housing on an opportunistic basis; 2) agreements to make improvements to units remaining in private ownership with the condition of a price-restriction; and 3) acquisition and conversion of motel/hotel units. The City has a relatively large quantity of older multifamily units but fewer motel properties to consider
- Rehabilitation of existing or newly-acquired units can be an important way to expand provision of supportive and transitional housing. Housing the City's homeless and extremely low-income households is costly and challenging and generally requires special City sponsored projects created and maintained in cooperation with State programs and regional partners. The recently created project involving conversion of an older motel property to transitional housing (the L&M Village project) provides an example of how such units can be created.
- This Quantified Objective is supported by Housing Program 2 Preserving Existing Housing and Neighborhoods, which includes an effort to acquire additional existing multi-family residential properties for rehabilitation and offering as price-restricted housing, as well as Housing Program 8 Extremely Low-Income, Homeless, and Special Needs Housing Program. Housing Program 8 focuses upon creating additional supportive and transitional housing units both as part of its low-income tax credit projects and special projects, as exemplified by the recently completed conversion of the L&M Motel into transitional housing units administered by the City.



Actions to Affirmatively Further Fair Housing

The City of Healdsburg is committed to supporting fair housing rights and addressing fair housing issues. More specifically, the City is committed to implementing Government Code Section 8899.50(b), which requires the City to administer its programs and activities related to housing and community development in a manner which affirmatively furthers fair housing and take no action that is materially inconsistent with the City's obligation to affirmatively further fair housing. Additionally, in response to the fair housing analysis included in the Technical Background Report, the City has developed a set of actions to affirmatively further fair housing, as outlined in **Table 5.**



Action Area	Programs	Specific Commitment	Timeline	Geographic Targeting	2023-2031 Metrics
Housing Mobility a	Affordable housing production in high-resource areas	Nearly 80% of lower income RHNA is located in high-resource areas.	2023- 2031	Focused on northern areas.	RHNA, Sites Inventory, APR
	Improve infrastructure in lower-resource areas and near new affordable housing	Street, sidewalk, recreation infrastructure in low-resource areas; bike & pedestrian infrastructure inclusion in CIP, CDBG, and in conjunction with project development (see Programs 6.7, 9.5).	Ongoing	Citywide; emphasis on lower-resource areas, near new housing.	CIP, CDBG, project-based outcomes
	Housing land trust	Expand housing land trust model including partnership with Housing Land Trust of Sonoma County for low- and moderate- income homeownership (see Program 5.4).	Ongoing	Citywide	RHNA, Sites Inventory, APR
New Opportunities in Higher Opportunity Areas	Zoning for a variety of housing types in R1 zone	City Council to review SB 10 ordinance, and potential for increased development capacity in R1 zone exempt from the GMO (see Program 7.2).	2024	Determined in 2024 Dev't Capacity Study.	Study/Action (2024)
	Site acquisition & land banking	Pursue development of a Housing Trust and/or Community Development Corporation to expand opportunistic acquisition of sites for housing development and preservation (see Program 3.2).	Ongoing	Citywide; emphasis on higher resource areas.	RHNA, Sites Inventory, APR
Place-Based Strategies for Community Revitalization	Acquire multifamily housing	Building on the recent success of L&M Motel and Scattered Sites projects, the City will continue to pursue opportunities to purchase and rehabilitate multifamily rentals to provide affordable units (see Program 2.1).	Ongoing	Citywide; throughout resource areas.	Housing Element Quantified Objectives

Table 5:	Summarv of	Meaningful Actions	to Affirmatively	Further Fair Housing
	•••••••••••••••••••••••••••••••••••••••			



	Streamlining affordable housing	Continue to utilize GMO exemption for affordable housing and facilitate streamlined development through an SB 35 standardized application on the City's website (see Program 5.5).	2024	Citywide; emphasis on higher resource areas.	Website
	Ensure replacement housing	Any units displaced due to redevelopment will be replaced with equivalent units as a condition of approval (see Program 2.2).	2023	Citywide; throughout resource areas.	RHNA, Sites Inventory, APR
Displacement	Prevent and mitigate loss of housing stock to non-residential uses	Vacation/investment homes continue to constrain housing supply, and the City will continue to address it through a moratorium on vacation rentals and a study to be conducted in 2024 (see Programs 2.4, 2.5).	Ongoing; 2024 action	Citywide; emphasis on Historic Core.	Study/Action (2024)
	Reduce wildfire risk	Continue inter-agency coordination and complete a Safety Element update by June 2024 to address hazard reduction and resilience strategies aided by new risk maps (see Program 2.6).	Ongoing; 2024 action	Citywide; emphasis on wildland-urban interface at eastern edge.	Safety Element (2024)
Outreach and - Enforcement	Spanish language outreach and	Direct engagement with Hispanic community facilitated by expanded bilingual staff capacity (see Program 6.4).	Ongoing	Citywide	Staff Resources
	resources	Housing Element Update translated into Spanish	2022-23	Citywide	Website
	Enhanced availability of fair housing resources	Create an updated, dedicated webpage on the City's website with information on fair housing rights/resources (see Program 6.3).	2023	Citywide	Website
		Reasonable accommodations form easily accessible on website	2023	Citywide	Website



3. Housing Sites Identification and Analysis

Consistent with Government Code §65583(a)(3), a major component of the Housing Element is the identification of sites for future housing development and evaluation of the adequacy of these sites for fulfilling the City's fair share of regional housing needs, which is based on ABAG's Regional Housing Needs Assessment (RHNA).

Table 6: Healdsburg's 6th Cycle RHNA

Income Group	2023 - 2031 RHNA Allocation
Very Low	190
Low	109
Moderate	49
Above Moderate	<u>128</u>
Total	476

Sources: City of Healdsburg; ABAG.

Sites identified to address RHNA can include vacant sites zoned for residential use, vacant sites that allow residential development, and underutilized sites that are capable of being redeveloped to increase the number of residential units. These sites must have the realistic potential for new residential development The Planning Period is the time period between the due date for one housing element and the due date for the next housing element (Government Code §65588(f)(1)). ABAG's 6th Cycle Planning Period is January 15, 2023 to January 15, 2031.

The Projection Period is the time period for which the regional housing need is calculated (Government Code §65588(f)(2)). ABAG's 6th Cycle Projection Period is June 30, 2022 to December 31, 2030.

within the Housing Element planning period. Of particular relevance in Healdsburg, planned, approved, and pending residential units may be credited toward fulfilling the City's RHNA, as may a limited number of accessory dwelling units (ADU) and junior accessory dwelling units (JADU).

While the City plans to continue to aggressively pursue new housing opportunities throughout the City in the coming years, the City will meet its 6th Cycle RHNA through a combination of the methods listed below, which are summarized in **Table 7** and further described in **Appendix F** as well as the following narrative:

- A. Pending, approved, or permitted residential projects
- **B.** Acquisition of non-deed restricted units and conversion to 55-year deed restricted, affordable units
- C. Hotel, motel, or hostel conversion
- **D.** Accessory dwelling unit (ADU) and junior accessory dwelling unit (JADU) development projections



This strategy means that this section is less focused on inventorying and analyzing potential opportunity sites and more focused on evaluating the

pending, approved, and permitted project sites and the Alternative Sites to ensure the City is conforming to the Affirmatively Furthering Fair Housing (AFFH) requirements and furthering AFFH objectives.

	Adequate Sites							
Income Group	2023 - 2031 RHNA Allocation	Pending, Approved, or Permitted Units	Market Rate Units Converted to Affordable	Hotel, Motel, or Hostel Conversion	Projected ADUs	Total Credits	% of RHNA	
Lower								
Extremely Low	83	16	0	22	17	55		
Very Low	107	119	39	0	16	174		
Low	<u>109</u>	<u>129</u>	<u>0</u>	<u>0</u>	<u>33</u>	<u>162</u>		
Lower, Subtotal	299	264	39	22	66	391	131%	
Moderate	49	43			33	76	155%	
Above Moderate	<u>128</u>	<u>503</u>			11	<u>514</u>	402%	
Total	476	810	39	22	110	981	206%	

Table 7:6th Cycle Strategy to Address RHNA

Sources: City of Healdsburg; ABAG.

A. Pending, Approved, or Permitted Projects

Housing units that are pending, approved, or permitted can be credited towards meeting the City's 6th Cycle RHNA. These units can count towards the RHNA based on affordability and unit count, provided it can be demonstrated that the units can be built within the planning period. Affordability (income category) is based on the actual or projected sales prices, rent levels, or other mechanisms establishing affordability of the units within the project, including affordability requirements achieved through the City's inclusionary housing program and/or project entitlement negotiations.

If pending, approved, or permitted projects fail to materialize as indicated due to economic conditions or other unpredictable factors, the City will ensure Housing Element programs are enhanced to incur no net loss of housing inventory. RHNA progress will be evaluated on an annual basis, and any required interventions will be initiated in any Annual Progress Report projecting less than 60 units cumulative average in the prior year(s), or 1/8 of Healdsburg's total RHNA.

Full details about each project, including the project's status and the basis for income level assumptions, are included in **Appendix F**. **Table 8** presents a summary of each project, and a brief description of each project follows.

While pending projects are located in both Low-resource areas and High-resource areas, the Housing Element includes programs to help address and ensure access and mobility for those units pending in Low-resource areas.



Table 8:Summary of Pending, Approved, or Permitted Projects, as of3/1/2023

Number of Units [1]					-				
Project Name	Total	ELI	VLI	LI	MI	AMI	Resource Area Designation	Status	Anticipated Occupancy
111 Sawmill	208	0	24	16	1	167	Low	Under Construction	est. 2023
155 Dry Creek	58	5	52	0	1	0	High	Entitled	est. 2024 or 2025
Saggio Hills	188	11	11	86	10	70	High	Entitled	est. 2025
3 Healdsburg	30	0	2	1	0	27	Low	Entitled	est. 2025
Enso Village	221	0	10	5	15	191	High	Under Construction	est. 2024
Comstock	77	0	20	20	13	24	High	Entitled	est. 2024
Farmstand	28	0	0	1	3	24	Low	Under Construction	2022 - 2026
TOTAL	810	16	119	129	43	503			

[1] Project details are current as of March 1, 2023. For each of these projects, the actual number of units and/or the afforability distribution may vary slightly. Any updates will be reflected in the City's Annual Progress Reports.

111 Sawmill

In 2017, Replay Resorts submitted an application to the City for the development of a mixed-use project named the Mill District, the final iteration of which includes construction of a 53-room hotel, approximately 15,000 square feet of commercial space, public improvements and open space, and up to 208 residential units, broken down by affordability level as follows:

- up to 137 multifamily condominium units, to be sold at market rate prices
- 30 multifamily residential units, to be sold or leased to persons whose household income is Above Moderate (i.e., between 120% and 160% of area median income)
- 41 affordable multifamily residential units, to be leased to incomequalifying households
 - 24 Very Low-income units
 - 16 Low-income units
 - 1 Moderate-income unit



The affordable units are being constructed by Eden Housing on a separate 0.86-acre parcel within the property. Eden Housing applied for and received consideration under the City's density bonus program as the project had 24 units of Very Lowincome units deed restricted for a 55-year period. The density of the affordable project is 48 units per acre. The affordable housing component of the Mill District is specified in the Affordable Housing Agreement (dated 2/11/2020) and the units are currently under construction. Occupancy is expected in 2023.

On January 8, 2019, the City's Planning Commission approved Resolution No. 2019-02, approving Master Conditional Use Permit CUP 2017-12, the Developer's application for a density bonus, concessions, and waivers pursuant to Density Bonus Law, Historic Demolition Permit MISC 2017-01, and Heritage Tree Removal Permit HT 2017-02 for the Project and recommending that the City Council approve a tentative map and a development agreement for the project.

On March 11, 2019, the City Council adopted Resolution No. 42-2019, approving Tentative Map TM 2017-01 for the Project, and on April 1, 2019, adopted Ordinance No. 1184, approving the Development Agreement for the Project. The overall Project will be constructed in phases over a period of several years, and the affordable units are currently under construction.

155 Dry Creek

The project at 155 Dry Creek Road is a 58-unit affordable project under development by Burbank and subject to an Exclusive Negotiating Agreement (ENA) with the City. The project was entitled on 9/27/2022. The development and disposition agreement (DDA) is drafted and under review. The overall site is 3.52 acres, and the project is achieving a density of 16.5 units per acre. Five of the units are being provided to Reach for Home, a nonprofit homelessness and housing service provider, and will be available to households exiting from homelessness (Extremely Lowincome households). In total, the project will

provide five Extremely Low-income units, 52 Very Low-income units, and one Moderate-income unit. The Affordable Housing Agreement is pending, and occupancy is expected in 2024 or 2025.

Saggio Hills

In March 2011, the City of Healdsburg and Sonoma Luxury Resort, LLC ("Developer") entered into a Development Agreement (DA) pertaining to the development of a 258.5-acre property located in the northeast corner of the City. In conjunction with the DA, the City certified a Final Environmental Impact Report, adopted the Saggio Hills Area Plan, and approved a Tentative Subdivision Map for the Saggio Hills development project which includes: a 130-key luxury resort with meeting rooms, event and recreation facilities, a spa, restaurants and related amenities; 70 detached residences (market rate); a 36-acre community park; a fire substation; a water pump station; and conveyance of 14.16 acres of land to the City of Healdsburg for development of affordable housing.





The first Final Map for the Saggio Hills development project was approved by the Healdsburg City Council in April 2016 and recorded in May 2018. The first Final Map establishes eleven parcels, including Parcel 5 (7.02 acres) and Parcel 6 (5.45 acres) which comprise the "Affordable Housing Land." The developer provided the 14.16-acre area to the City graded and with infrastructure and roadways installed to serve the site.

The affordable housing project at





Saggio Hills is a 100 percent affordable, 118-unit project on a 14.16-acre site being developed by Freebird Development Company as part of a Development Agreement. Freebird Development Company was selected through an RFQ process in February of 2021. The project consists of 11 Extremely Low-Income units, 11 Very Low-income units, 86 Low-income units, and 10 Moderate-income units, as specified in the pending Affordable Housing Agreement. Of the 11 Extremely Low-income units, eight (8) will be available to people with development disabilities. The Saggio Hills project will also offer a for-sale component as a part of the development formally submitted its project for design review in May of 2022. The Development Agreement and Development and Disposition Agreement were approved in February 2023, and construction will begin in 2024. Occupancy is anticipated in 2025.

3 Healdsburg

The project at 3 Healdsburg is a 30-unit project being developed by KHE Holdings, LLC, of which three affordable units are being provided onsite through the City's inclusionary program. The project was entitled on 12/13/2022. Overall, there will be two Very Low-income units, one Moderate-income unit, and 27 Above Moderate-income units on a 1.25-acre site, achieving a density of 24 units per acre. This project used the State Density Bonus and the City's inclusionary program to arrive at the targeted income levels. The Affordable Housing Agreement is a condition of approval. Occupancy is expected in 2025.

Comstock/North Village

The property owner and project applicant, Comstock Healdsburg, is proposing a redevelopment of a former lumber yard site at the northern edge of the City of Healdsburg, within the North Entry Area Plan area. The site is proposed to be redeveloped with a new Mixed-Use development that provides a gateway into Healdsburg from the north. Part of the project includes the development of multifamily housing that will be available to a range of affordable income categories. The 4th Amendment to the Development Agreement is going to the City Council in 2023.



The North Village project is a 77-unit project with 20 Very Low-income units, 20 Low-income units, 13 Moderate-income units and 24 Middle-income units (120-160% AMI). The affordable units are specified in the Affordable Housing Regulatory Agreement with Burbank and is pending. The site is 7.6 acres and is being developed at a density of 10.5 units per acre. Occupancy is expected in 2024.

Enso Village

The Enso Village project is a Zen-inspired senior living project being developed by Kendal Corporation, located within the North Entry Plan area and part of the North Village project. The project will create 221 units, including 10 Very Lowincome units, five (5) Low-income units and 15 Moderateincome units, with the remainder Above Moderate-income. There will be a mix of independent living units, assisted living units and memory support units in support of the City's special needs housing goals. The affordable units and the special needs units are specified in the Affordable Housing Agreement which was last modified June 2022. Occupancy is expected in 2024.



Farmstand

Farmstand is a subdivision project located between US Highway 101 and Grove Street, south of Dry Creek Road consisting of a total of 8.9 acres (formerly assessor parcel numbers 089-081-013 and 089-120-004). The project is expected to result in 28 units at an An overall density of 3.1 units per acre is achieved. To meet its inclusionary housing requirement, the project is providing with one (1) Low-income unit and three Moderate-income units The remaining units are above moderate-income. An affordable duplex (one low-income unit and one moderate-income unit) is currently under construction. The remaining two (2) moderate-income units will be for-sale units, ground leased through the Housing Land Trust.

Occupancy of the initial 24 units occured in late 2022. The affordable units are treated as "milestones" that are required prior to issuing building permits on the market-rate lots, as specified



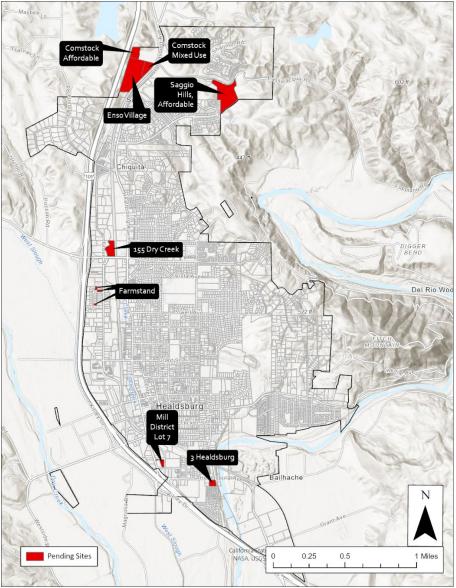


by the City's inclusionary housing ordinance and in the Affordable Housing Agreement. Occupancy of the affordable units is expected prior to 2026.

Map of Pending, Approved, and Permitted Sites

Pursuant to Government Code §65583.2(b)(7), a map (**Figure 3**) of the pending, approved, or permitted sites summarized in **Table 7** is provided above.







B. Acquisition of Non-deed Restricted Units and Conversion to Affordable Units

Scattered Sites Project

The Scattered Sites Project is a City-initiated project through which non-deed restricted units were bought at market rate and are being converted to 55-year deed restricted units. The project includes 39 units that will be affordable to Very Low-income households. These units are identified in **Table 9** and on **Figure 4** below. Of the 39 units, 23 are located in Low resource areas and 16 are located in High resource areas. The renovation work is underway and occupancy is expected in 2023.

The Scattered Sites Project can answer "yes" to all of the general requirements set forth in Government Code Section 65583.1(c) and, therefore, qualifies as an "alternate adequate sites" project.

Government Code Section 65583.1(c)

65583.1(c)(4) Yes, the local government is providing "committed assistance" during the period of time from the beginning of the RHNA projection period to the end of the first 3 years of the housing element planning period.

65583.1(c)(1)(A) Yes, the local government has identified the specific source of "committed assistance" funds. The funding history is provided below:

In 2000, the Redevelopment Agency of the City of Healdsburg provided loans to Burbank Housing Development Corporation (Burbank) to purchase 1689 Canyon Run, a 51-unit affordable housing project.

In 2019, the City provided loans to Burbank to purchase 39 units of multi-family housing across three properties located at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Street. The intent of purchasing these properties was to preserve naturally occurring affordable housing, improve the quality of life for the residents, and to deed-restrict these units for a 55-year affordability period.

In 2020, Burbank received nearly \$23 million in tax-credit financing to remodel a total of 90 units consisting of the 39 units of multifamily housing at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Street and the 51 units at 1689 Canyon Run known collectively as the Healdsburg Scattered Sites Project (Project). This Project also leveraged a \$1M loan from the Homeless Emergency Aid Program (HEAP) which will provide 10 units for supportive housing managed by Reach for Home and will provide a pathway for individuals transitioning out of the L&M Village.

On March 15, 2021, Council adopted Resolution No. 19-2021, assigning the loans originally entered between the City and Burbank for the Project to Monte Vina, L.P., the managing entity for the Project. This was necessary for Burbank to meet the requirements to secure permanent financing and funding for the remodel of the properties through the Low-Income Housing Tax Credit (LIHTC) financing program.



To date, the City has contributed \$4,255,061 towards the acquisition of the Scattered Site properties. The following chart outlines the City's contributions:

Loan Type	Amount
City Loan For 1302 Prentice Dr. (Acquisition)	\$1,076,500
City Loan for Repairs to Burbank Housing	\$275,000
City Loan for Piper St. & University Ave.	\$580,250
City Loan for Canyon Run	\$2,323,311
Totals	\$4,255,061

On June 21, 2021, Council adopted Resolution No. 84-2021, modifying the existing \$275,000 Loan Agreement with Burbank, which was originally due and payable upon receipt of tax-credit financing, to a loan term of seventeen (17) years at 3% simple interest at the request of Burbank Housing.

65583.1(c)(3) Yes, the City met 73% of its regional share housing need for very low-income (VL) and low-income (L) households in the previous planning period. The number of affordable units permitted/constructed in the previous period (5th Cycle) is presented in **Appendix A**. Affordability was established through implementation of the Inclusionary Housing Ordinance or through negotiations with developers and resulting Affordable Housing Agreements.

65583.1(c)(1)(B) The total number of units in the Scattered Sites project that are being assisted with committed assistance funds is 90, but only 39 are being used to address the City's 6th Cycle RHNA. Funding sources include the Low-Income Housing Tax Credit (LIHTC) financing program, the Homeless Emergency Aid Program (HEAP), and City funding from Measure S. In addition, City staff has committed approximately 525 hours and will continue to commit staff time to the Scattered Sites project.

65583.1(c)(1)(B) The funds committed are sufficient to develop the identified units at affordable rents.

65583.1(c)(1)(C) The identified units meet the Conversion of Market Rate to Affordable requirements as defined and as demonstrated below.

Conversion of Market Rate to Affordable 65583.1(c)(2)(B)

65583.1(c)(2)(B) In 2019, the City provided loans to Burbank to purchase 39 units of multi-family housing across three properties located at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Street, collectively known as the Scattered Sites Project. The 39 units will be deed-restricted rental units affordable to Very Low-income households. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 47).



65583.1(c)(2)(B)(i) Yes, the acquired units be made affordable to very lowincome households. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 47).

65583.1(c)(2)(B)(ii) Thirty-nine non-deed-restricted units are being converted to deed-restricted, very-low income units. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 47).

65583.1(c)(2)(B)(iii) The acquisition and renovation work resulted in the temporary displacement of residents, some of whom may have been very low- or low-income households, but none of whom were officially qualified as such. The City provided relocation assistance consistent with Government Code Section 7260, including rent and moving expenses equivalent to four (4) months, to those occupants who were temporarily displaced. All have been offered opportunities to qualify for the refurbished, deed-restricted units. The Scatted Sites Project is described in **Housing Program 2** - **Preserving Existing Housing and Neighborhoods** (Page 47).

65583.1(c)(2)(B)(iv) Yes, the units are and will be decent, safe, and sanitary upon occupancy. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 47).

65583.1(c)(2)(B)(v) Yes, the affordability covenants and restrictions be maintained for at least 55 years. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 47).

65583.1(c)(2)(B)(vi) Not applicable.

C. Hotel, Motel, or Hostel Conversion

L&M Village

The L&M Village Project is a partnership between the City of Healdsburg and Reach for Home. The Project created 22 units for the chronically homeless, addressing the Extremely Low-income cohort. In January 2022, the Healdsburg City Council unanimously approved the purchase/sale agreement for the L&M Motel and accepted a \$7.2 million-Project HomeKey grant for the provision of interim housing at the former L&M Motel. The project is a collaboration between the City, Reach for Home, and Burbank Housing. Residents were able to move in in November of 2022.

The L&M Village Project can answer "yes" to all of the general requirements set forth in Government Code Section 65583.1(c) and, therefore, qualifies as an "alternate adequate sites" project.

Government Code Section 65583.1(c)

65583.1(c)(4) Yes, the local government is providing "committed assistance" during the period of time from the beginning of the RHNA projection period to the end of the first 3 years of the housing element planning period.



65583.1(c)(1)(A) Yes, the local government has identified the specific source of "committed assistance" funds. The funding history is provided below:

In July of 2020, the State of California launched a \$750 million program called "Project Homekey," with the aim of helping local communities rapidly acquire hotels, motels, commercial buildings, and other creative housing types to rapidly house people experiencing homelessness during the COVID-19 pandemic. Project Homekey resulted in 8,264 individuals housed across 120 unique properties.

Given the success of Project Homekey, the State of California budgeted an additional \$1.45 billion for Fiscal Year (FY) 2021-2022. Of the \$1.45 billion in Homekey funding, \$1.2 billion is derived from the Coronavirus State Fiscal Recovery Fund (CSFRF) established by the American Rescue Plan Act (ARPA) of 2021 and \$250 million is State General Fund.

On October 18, 2021, the City Council authorized City staff, in collaboration with Reach for Home and Burbank Housing to apply for the FY 2021-2022 Project Homekey program for the acquisition by the City of the L&M Motel for use as interim housing for those experiencing homelessness.

On October 26, 2021, the County of Sonoma adopted Resolution 21-0431 which authorized a Project Homekey Round-2 (PHK-2) Supportive Services Funding Framework and Early Capital Match Program and approved \$950,000 in Capital Match funding and \$3,388,660 in operating subsidy for the L&M Village.

On October 27, 2021, the City, Reach and Burbank submitted an application to the State of California for \$5,720,000 in Project Homekey capital funding and \$1,328,800 in operating subsidy for a total of \$7,048,800 in State funds.

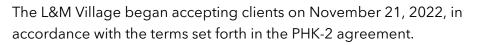
On December 21, 2021, the State of California announced that the City, Reach and Burbank were successful in their application for Project Homekey funding and conditionally awarded the requested funding pending the execution of the State's Standard Agreements.

On February 16, 2022, the City executed a State Standard Agreement with the State of California and on March 23, 2022, the City received the PHK-2 program funds for both capital and operational costs.

On May 3, 2022, the City closed escrow on the L&M Motel and the property is now under City ownership.

In June of 2022, the City of Healdsburg requested an extension for the PHK-2 occupancy deadline to restore the time between the date of award of funding and the time funds were actually received by the City. This extension was approved and extended the City's occupancy deadline from August 21, 2022, to November 21, 2022 and preserved the City's ability to receive an early occupancy bonus of \$220,000.

On August 1, 2022, the City awarded a bid to DMR Builders of Santa Rosa to make improvements to the L&M Village Property.





In addition to the funding documented above, the City and Reach for Home applied for and received \$200,000 in Community Development Block Grant Funding (CDBG) thorough the Sonoma County Community Development Commission (CDC) for additional capital improvements to the L&M Village.

65583.1(c)(3) Yes, the City met 73% of its regional share housing need for very low-income (VL) and low-income (L) households in the previous planning period. The number of affordable units permitted/constructed in the previous period (5th Cycle) is presented in **Appendix A**. Affordability was established through implementation of the Inclusionary Housing Ordinance or through negotiations with developers and resulting Affordable Housing Agreements.

65583.1(c)(1)(B) The total number of units in the L&M Village project that are being assisted with committed assistance funds is 22. Funding sources include Project Homekey, PHK-2 Program Funds, and CDBG Funds. In addition, City staff has committed approximately 500 hours and will continue to commit staff time to the L&M Village project.

65583.1(c)(1)(B) The funds committed are sufficient to develop the identified units at affordable rents.

65583.1(c)(1)(C) The identified units meet the Hotel, Motel, or Hostel Conversion requirements as defined and as demonstrated below.

Hotel, Motel, or Hostel Conversion 65583.1(c)(2)(D)

65583.1(c)(2)(D)(i) Yes, the units are a part of a long-term recovery response to COVID-19. The project is partially funded through Project Homekey which, by definition, has a target population of households impacted by COVID19. The L&M Village project is described in **Housing Program 3** - **Sustaining and Expanding Housing Sites** (Page 49).

65583.1(c)(2)(D)(ii) Yes, the units are being made available for people experiencing homelessness as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The project is partially funded through Project Homekey which, by definition, has a target population of households experiencing or at risk of homelessness. The L&M Village project is described in **Housing Program 3 - Sustaining and Expanding Housing Sites** (Page 49).

65583.1(c)(2)(D)(iii) Yes, the units are being made available for rent at a cost affordable to very low-income households (ELI). The L&M Village project is described in **Housing Program 3** - **Sustaining and Expanding Housing Sites** (Page 49).

65583.1(c)(2)(D)(iv) Yes, the units are and will be decent, safe, and sanitary upon occupancy. The L&M Village project is described in **Housing Program 3 - Sustaining and Expanding Housing Sites** (Page 49).



65583.1(c)(2)(D)(v) Yes, the affordability covenants and restrictions be

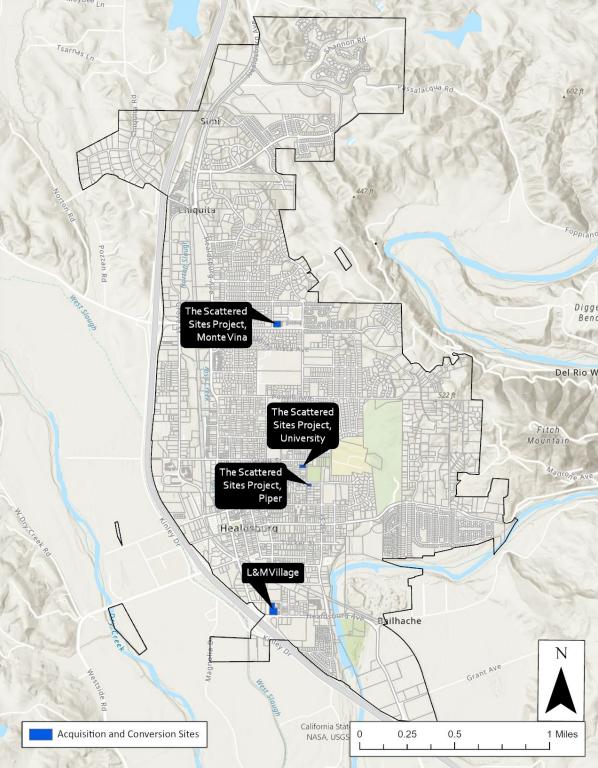
maintained for at least 55 years. Project Homekey requires 15 years, and the City is committing to a minimum of 55 years. The L&M Village project is described in **Housing Program 3 - Sustaining and Expanding Housing Sites** (Page 49).

-		N	umber of	Units		Resource				
Project Name	Total	ELI	VLI	LI	MI	AMI	Area Designation	Status	Anticipated Occupancy	
L&M Village The Scattered Sites Project	22	22					Low	Complete	November 2022	
Monte Vina University Piper	23 8 8		23 8 8				Low High High	Renovations Underway	October 2023 February/March 2023 February/March 2023	
TOTAL	61	22	39	0	0	0				
Total Acquisition/ Conversion Units in Areas Designated High Resource	16	0	16	0	0	0				

Table 9: Summary of "Adequate Alternative Sites" Projects



Figure 4: Map of Acquisition and Conversion Project Sites





D. Accessory Dwelling Units and Development Assumptions

Accessory dwelling units (ADUs) are small (no larger than 1,200 square feet), self-contained units that provide living, sleeping, and kitchen areas. The unit can be attached to the main home with a separate entrance or can be a small, detached unit in the rear yard or above a garage, for example. Junior accessory dwelling units (JADUs) are no more than 500 square feet and contained entirely within a proposed or existing single family home. A JADU has its own entrance and includes an efficiency kitchen; it may have its own bathroom or it can share with the primary residence.

Because of their small size, ADUs/JADUs typically rent for less than single-family homes or larger apartments. They can provide affordable rental options for smaller households and can provide rental income for the homeowner. Between 2017-2019, the State adopted a series of additional requirements for local governments related to ADU ordinances. In response to these new ADU laws, Healdsburg has continually updated its ordinance to align with State law and better facilitate the production of ADUs and JADUs. Plan check time for ADUs in Healdsburg is relatively fast. The City has a 15-business day building permit plan review timeframe, and 10-business day resubmittal review timeframe.

Healdsburg has been successful in its efforts, with 69 building permits issued for ADUs from 2018 through 2022, an average of 13.8 ADUs per year. Pursuant to AB 671, the Housing Element includes a program to further incentivize the production of affordable ADUs through the creation of architect-designed ADU construction plans that can be pre-approved and customizable at minimal cost to the applicant.

Given Healdsburg's growing track record in producing ADUs and relying on HCD's safe harbor ADU assumptions, the sites inventory projects a minimum of 13.8 new ADUs to be produced annually, or 110 during the 6th Cycle Planning Period (2023-2031). The projected affordability of these ADUs is allocated 30 percent to Very Low, 30 percent to Low, 30 percent to Moderate, and 10 percent to Above Moderate based on ABAG's ADU Affordability study. These projected units may be credited towards Healdsburg's RHNA. The City will continue to monitor the extent of ADU production to ensure that the program is successful and that the Housing Element goals and RHNA production can be met. Additional measures (e.g., outreach and marketing) will be taken within six to 12 months if ADU production is falling below projections.



Consistency with Affirmatively Furthering Fair Housing

Pursuant to AB 686, sites must be identified throughout the community in a manner that affirmatively furthers fair housing opportunities per Government Code §65583(c)(10). Affirmatively Furthering Fair Housing means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity based on protected characteristics."

For purposes of the housing element sites inventory, this means that sites identified to accommodate the lower-income need are not concentrated in low-resourced areas (lack of access to high performing schools, proximity to jobs, location disproportionately exposed to pollution or other health impacts) or areas of segregation and concentrations of poverty. Instead, sites identified to accommodate the lower income RHNA must be distributed throughout the community in a manner that affirmatively furthers fair housing.

In the context of AFFH, the site identification requirement must analyze whether the identified sites serve the purpose of affirmatively furthering fair housing by replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

The City's map of sites is overlayed on the California Tax Credit Allocation/California Department of Housing and Community Development Opportunity Map (see **Figure 5**). The analysis shows that 79% of the lower income RHNA are located in areas of the City designated high resource (236 pending lower-income units divided by the lower-income RHNA of 299 = 79%). In addition, future ADUs are likely to be developed in areas where there are existing single

Approximately 79% of the lower income RHNA are located in areas of the City designated high resource.

family homes in high-resource areas. This analysis is summarized in **Table 10** below.



Table 10: Summary of Pending Units by Resource Area Designation

-		N	umber of	_				
Project Name	Total	ELI	VLI	LI	MI	AMI	Resource Area Designation	Status
111 Sawmill	208	0	24	16	1	167	Low	Under Construction
155 Dry Creek	58	5	52	0	1	0	High	Entitled
Saggio Hills	188	11	11	86	10	70	High	Entitled
3 Healdsburg	30	0	2	1	0	27	Low	Entitled
Enso Village	221	0	10	5	15	191	High	Under Construction
Comstock	77	0	20	20	13	24	High	Entitled
Farmstand	28	0	0	1	3	24	Low	Under Construction
L&M Village	22	22					Low	Complete
The Scattered Sites Project								
Monte Vina University Piper	23 8 8	0 0 0	23 8 8	0 0 0	0 0 0	0 0 0	Low High High	Renovations Underway
TOTAL	871	38	158	129	43	503		
Total Pending, Approved, or Permitted Units in Areas	544	16	109	111	39	285		
Designated High Resource			236]				
Lower-income RHNA	299							
Percent of Pending Lower- income Units as a Percentage of Lower-income RHNA	79%							

For those units that will be located in Low-resource areas of the City, the Housing Element includes policies to ensure access to resources and opportunities to avoid exacerbating concentrations of lower-income units, including subprogram #7 (Improve Infrastructure in Lower Resource Areas) of **Program 6 - Affirmatively Furthering Fair Housing**.

Opportunity Areas

HCD and TCAC have created opportunity maps to identify areas throughout the state whose characteristics support positive economic (low poverty, high employment, high median household income), educational (reading and math proficiency, high school graduation rates, low student poverty rates), and environmental outcomes (low exposure to pollution) for low-income families, particularly long-term outcomes for children. The HCD/TCAC Opportunity Areas Map ranks Census tracts in Highest Resource to Low Resource based on these outcomes. A Census tract with a designation of High Resource would indicate that the Census tract has strong educational and economic opportunities for current and future residents.



The City limits partially or fully encompass three Census tracts (11 Census Block Groups), which are categorized by the 2021 TCAC/HCD Opportunity

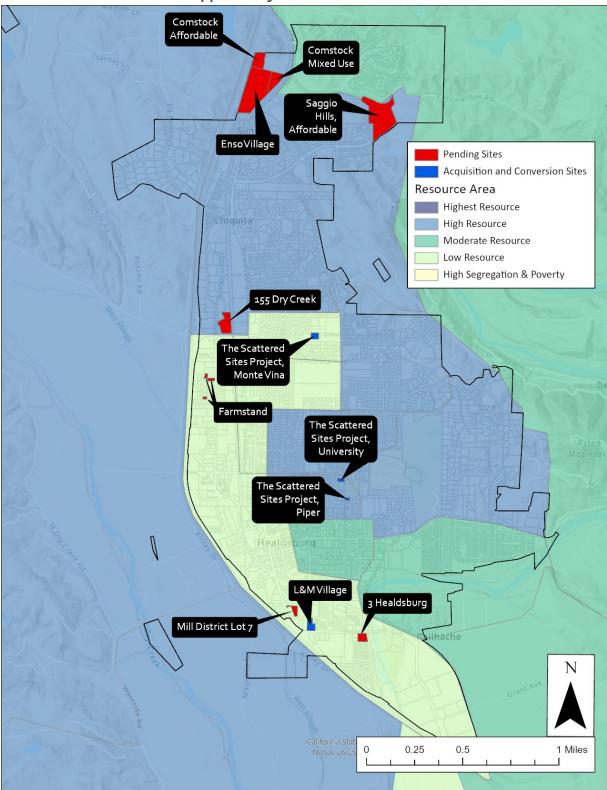
Map as a mix of low to high resources areas. No Census Block Groups were identified as exhibiting "High Segregation & Poverty."

Of the seven (7) housing sites identified to address the lower-income RHNA, four (4) are in high resource areas. The majority of the unit capacity for lower-income sites is located in high or higher resource areas. Of Healdsburg's lower-income RHNA of 299 units, 220 pending units are in high resource areas. The two acquisition and conversion projects represent 60 additional lower-income units, of which 16 units are located in high-resource areas. The combined result is that 79% of Healdsburg's lower-income RHNA is addressed through credited units in high resource areas. In addition to providing an equitable distribution of sites throughout the City, Healdsburg has committed to infrastructure improvements such as sidewalks and sewer upgrades in Low Resource areas in conjunction with developments such as L&M Village.

Figure 5 shows the distribution of pending projects and acquisition/conversion units in relation to the TCAC Opportunity Areas.



Figure 5: Map of Pending and Acquisition and Conversion Project Sites in Relation to TCAC Opportunity Areas







Improved Conditions

By meeting 79% of the lower income RHNA in high-resource areas, Healdsburg is affirmatively promoting integration, balancing the distribution of residential development, and improving access to resources for the City's lower-income families. In addition, sites for all income levels are scattered throughout the City. There is no significant concentration of one income category in any one area included in the inventory.

Exacerbated Conditions

Three pending projects, representing 44 units affordable to lower-income households are located in a Census Block Group that is considered low-resource partially due to its low "Environmental Domain" score. Due to the redevelopment of the City's central lumber mill and further deindustrialization through infill housing development, this score is likely to improve through the planning cycle. In addition, the acquisition of the L&M Motel for conversion to 22 deed-restricted affordable units is located in the same low-resource Census Block Group. One of the three Scattered Sites properties, representing 23 Very Low-income units, is located in a different, but adjacent, low-resource Census Block Group. In total, these projects represent 89 units that will be located in low-resource areas.

To ensure these sites do not exacerbate current conditions, these sites are accompanied by place-based strategies within the City's Policies and Programs to improve conditions in these areas. **Housing Program 6 - Affirmatively Furthering Fair Housing.**

includes an initiative to invest in street, sidewalk, recreation and other infrastructure improvements and maintenance in low- and moderate-income neighborhoods of the City. One example of furthering this goal is that as a part of the L&M Village project, the City added sidewalks and sewer upgrades as a part of the project's scope of work to not only provide 22 units of interim housing, but to also to improve the neighborhood's infrastructure.

Several other programs are aimed at improving access to fair housing resources and providing information and engaging in outreach in Spanish. Together these programs are designed to invest in the area to better meet the needs of the community while reducing the risk of displacement. At the same time, the pending projects and the acquisition/conversion projects will bring investment and a more diverse set of housing choices to the neighborhoods.

Fair Housing Assessment and Distribution of Sites

Additional analysis of each Census tracts was conducted in support of the Fair Housing Assessment. Select factors are described below and summarized on **Table 11**.

Integration and Segregation: Race and Income

The Census tract with the highest concentration of Hispanic residents and low-to-moderate households (LMI) populations are located in Census tract 1539.02, which is located at the western boundary of the City and stretches east across Healdsburg Avenue, from the southern end of the City north to Dry Creek Road. Of the 95 units pending in this Census tract, approximately one-half will be Above-Moderate units, indicating that new housing for all incomes is distributed throughout the City. More specifically, the pending lower-income units are not concentrated in the City's Census



tract with the highest concentration of Hispanic residents and low-tomoderate households pending lower-income units. These sites represent a mix of vacant and underutilized sites.

Racially/Ethnically Concentrated Areas of Poverty and Affluence

While Healdsburg has no racially/ethnically concentrated areas of poverty (per HUD's definition), there is one Census tract (Census tract 1539.02) in the central part of the City with a higher concentration of minorities and LMI populations. The City's other two Census Tracts have large proportions of white populations and the highest ranges in median income in the City and may be considered a concentrated area of affluence. Sites are spread around the City and lower- and moderate- income sites are located in both areas with higher concentrations of minorities and LMI populations as well as within concentrated areas of affluence, promoting integration and balanced living patterns.

Access to Opportunity

The City boundary partially or fully encompasses three Census tracts and 11 Census Block Groups. Nearly half of the Census Block Groups are categorized as high resource while the balance is split between low and moderate resource areas (See **Figure 5** above). Housing units are spread across different resource areas.

Disproportionate Housing Needs

The fair housing assessment identifies an ongoing need for more affordable housing in the City's higher-resource areas. The City incentivizes the development of extremely low-, very low-, low-, and moderate-income housing while including programs to prevent displacement (Program HP-6 Affirmatively Furthering Fair Housing). The Sites Inventory includes pending units and acquisition/conversion units within these areas that can assist in addressing these needs



Table 11: AFFH Indicators by Census Tract

		RHNA	Credit Projec	cts (Units)		CalEnviro- Screen				
<u>Census Tract</u>	Existing Household Count	Lower- Income	Moderate- Income	Above Moderate- Income	Percent Non-White	TCAC Opportunity Area	Percent Overpayment by Renters	Percent Overcrowded Households	Displacement Sensitivity	Pollution Burden Percentile
<u>06097153902</u>	1,744	89	4	218	23.2%	Low	41.1%	5.6%	Vulnerable	46.08
<u>06097153903</u>	1,546	16	0	0	15.8%	High	27.3%	1.7%	Other	20.25
<u>06097153904</u>	940	0	0	0	8.9%	Moderate	41.4%	0.0%	Other	23.85
<u>06097153905</u>	1,310	220	39	285	16.3%	High	53.0%	0.4%	Other	23.85
<u>06097154000</u>	<u>1,028</u>	<u>0</u>	<u>0</u>	<u>0</u>	10.7%	High	32.0%	1.5%	Other	19.10
Total	6,568	325	43	503						
Data Source: Data Year:	ACS 2020				ACS 2020	TCAC/HCD 2022	ACS 2020	ACS 2020	AFFH 2017	AFFH 2021

Source: Source: California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2022); California Department of Housing and Community Development, Affirmatively Furthering Fair Housing Data and Mapping Resources (AFFH); U.S. Census Bureau, American Community Survey(ACS) 5-Year Estimates (2016-2020); Economic & Planning Systems



No Net Loss

State Law (SB 166), the "No Net Loss" law, requires jurisdictions to maintain adequate sites to address their RHNA throughout the 8-year Housing Element planning period. If sites are developed with fewer units, or are developed at a higher affordability level than assumed in the Housing Element, the jurisdiction needs to adopt findings that adequate sites are still available to meet the remaining RHNA by income category; if such a finding cannot be made, the jurisdiction is required to rezone an additional site(s) within 6 months to make up the sites shortfall.

Because of this requirement, HCD recommends an increased buffer of at least 15 to 30 percent more capacity than required, especially for the lower-income RHNA, or projecting a lower density capacity than is allowed. Additionally, programs are included within the Housing Element to ensure the City complies with new 'No Net Loss' requirements and maintains sufficient sites in inventory.

This Sites Inventory includes a 131% buffer for lower-income units, a 155% buffer for Moderate-income units, and a 402% buffer for Above Moderate-income units. An overall buffer of 206% is demonstrated.

Programs to Ensure Continued Adequate Sites (No Net Loss)

To ensure the development capacity anticipated as part of the pending projects continues to be available for development, especially for lower income housing, programs have been included to maintain an adequate Sites Inventory, throughout the 8-year planning period. **Housing Program 3** is focused on Sustaining and Expanding Housing Sites and is summarized here:

- 1) <u>Maintain Adequate Residential Sites to Assure "No Net Loss"</u>. Monitor the supply of residential sites and related development projects to ensure that sufficient developable sites and units are available to meet the 6th Cycle RHNA requirement. Building upon the existing effort, maintain and expand a detailed listing of sites available for housing development and use this list to assure RHNA requirements are met and also to attract residential developers to the City. Also, assure 'No Net Loss of Residential Units' by disallowing or mitigating any loss of housing due to redevelopment of existing areas containing housing units.
- 2) Pursue Housing Site Acquisition/Land Banking. On an opportunity basis, purchase sites or otherwise acquire sites with housing potential as part of efforts to partner with affordable housing developers and consider formation of a Community Development Corporation to facilitate such transactions. In addition, the City will explore the creation of a Housing Trust Fund that will meet State requirements for matching funding.
- 3) Provide Public Information on ADUs and other Accessory Dwelling Units. In addition to promoting ADUs, promote the development of accessory dwelling units (as permitted by SB-9 and ADU laws) by preparing and distributing an informational brochure on the permitting procedures, requirements, and support available for building accessory dwelling units in the City.



Infrastructure Considerations

A review of the City's Water Management Plan and discussions with the City's Public Works Department indicates that there is sufficient infrastructure in place to accommodate all the sites identified to address RHNA. All of the identified sites are infill sites and public services are available.

Water

In 2020, the City adopted an updated Water Management Plan, which indicates the City of Healdsburg's water supply is derived from surface water primarily through water rights but also includes a backup supply of contracted water. The City serves as the water provider within the municipality's water service area. The service area is approximately four-square miles and serves primarily residential and commercial customers. The potable water distribution system contains eight pressure zones (Tayman, Panorama, Sunset, Cadoul, Montage, Latimer, Hidden Acres, Iverson) that are each served by one or more of the six storage reservoirs (Iverson, Panorama, Tayman (2), Cadoul, Sunset) named for the zone they serve. Other zones are served by pressure regulating valves (Latimer, Hidden Acres) or a booster pump station (Montage). The City is a wholesaler to the Fitch Mountain Service area (CSA41). The principal water mains in the distribution system range in size from 4 to 16 inches in diameter. Most of the distribution piping in the older areas of the City range in size from 1-1/2 to 4 inches, while the newer areas are served by pipes 6 to 16 inches in diameter.

The City has a recycled water distribution system outside of the water service area. The recycled water transmission main extends north from the Water Reclamation Facility (WRF) following the West Slough and terminating at a recycled water dispenser on Kinley Drive, southwest of Highway 101. Another segment of recycled water pipe extends south from the WRF to multiple vineyard properties, extending approximately 18,300 feet south of the WRF. The recycled water distribution system can reach approximately 850 acres. The City is in the process of extending the recycled water pipeline into the City to offset potable water demand by irrigating parks and athletic fields with recycled water instead.

Domestic water supply is not expected to limit development. However, the impacts of climate change must be considered. Due to climate change and more severe weather patterns, the City can expect adverse and variable impacts to its water supply and demand:

- Water Demand: Hotter days and nights will result in a longer irrigation season and therefore increase landscaping and irrigation water needs.
- Water Supply: More frequent and exacerbated weather events such as longer drought periods and higher temperatures can impact water supply and supply reliability.
- Natural Disaster: Wildfires are predicted to increase in intensity and frequency, droughts may become longer and more severe, and floods are expected more frequently.

Wastewater

The City of Healdsburg Department of Public Works and Utility Department operate and maintain a total of 50.2 miles of collection system gravity main piping, eleven (11) lift stations, and 3.0 miles of force main. Sewage flows by gravity to the Magnolia Lift Station, which pumps all the City's flow to the Wastewater



Reclamation Facility (WRF). The northern area of the City is served by the relatively new North Trunk Sewer, which was constructed in 1995.

This trunk sewer was constructed to serve the areas of the City where nearly all significant new non-infill growth was expected to occur. The 33-inch Magnolia Trunk sewer collects all wastewater within the City near the south end of Healdsburg Avenue, where it runs under Highway 101 and flows another 4,400 linear feet south to the Magnolia Lift Station, located near the Foss Creek/Dry Creek confluence. After flowing through a grinder, flow enters the wet well at the Magnolia Lift Station and is then pumped approximately 3,500 linear feet through parallel 14-inch diameter force mains to the WRF.

The other 10 lift stations serve smaller areas within the City, two of which are located in the Corporation Yard. The Orangewood, Mountain View, and Heron Drive lift stations serve the southeastern portion of the City between South Fitch Mountain Road and the Russian River, and isolated areas north of South Fitch Mountain Road. All flows from the Orangewood and Mountain View lift stations are directed through the Heron Drive lift station.

Based on the preceding analysis and discussions with the Public Works Department, the units identified to address RHNA will have access to water and wastewater services, consistent with water and sewer priority requirements pursuant to SB 1087.

Environmental Considerations

While the City of Healdsburg, as documented in its General Plan Safety Element is subject to portions of the City being flooded by episodic winter storm-related high flows of the Russian River, is proximate to earthquake faults capable of damaging buildings, and is adjacent to lands designated as 'high' and 'extremely high wildfire hazard, there are ongoing programs in place to reduce these risks. None of these risks uniquely or disproportionately affect the City's under-resourced areas. A more detailed discussion of environmental constraints is included within the Technical Background Report.

Fire Hazards

As noted and addressed in the Goals and Policies and the related Programs, the City is located adjacent to wildland areas particularly to its east and western borders, that are designated 'high' and 'extremely high' wildfire hazard by CalFire. The City has active efforts underway to reduce the potential of fires in these adjacent areas from burning into the City.

Seismic Hazards

The City does not lie within active faults but is near to several known active and potentially active earthquake faults. The nearest fault zone is the Healdsburg-Rodgers which lies approximately 5 miles to the east of the City. Seismic hazards do not impede housing development in the City.

Flood Hazards

Significant portions of the City are located within the 100-year floodplain of the Russian River. Episodic flooding, typically associated with 'atmospheric river' storm events affecting the West Coast can cause flooding in the City. Local tributary creeks such as Foss Creek, are also subject to flooding. Flooding that occurs is typically a short-term inconvenience and can cause some damage to lowlying homes and businesses. Flood hazards do not impede housing development, as planned in the General Plan, from occurring.



4. Conclusion

The 6th Cycle Housing Element Update is intended to not only address Healdsburg's RHNA, but also to demonstrate the City's commitment to going above and beyond State statutory requirements in a variety of ways. The City is committed to expandin development capacity through intensification and infill development, promoting and requiring development of innovative housing types that meet local housing needs in a cost-effective manner, and expanding housing opportunities for all income groups including the 'missing middle' worker households earning moderate and above moderate family income.

The City's RHNA strategy lays out a plan for 981 units – more than double the City's RHNA of 476. This strategy reflects a 131% buffer for lower-income units, a 155% buffer for Moderate-income units, and a 402% buffer for Above Moderate-income units. An overall buffer of 206% is demonstrated.

In addition, under State law, Affirmatively Furthering Fair Housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." In the context of a community's housing needs, AFFH is not just about the number of housing units needed, but also about where the units are located and who has access to them. The City is especially pleased that nearly 80% of lower income RHNA is addressed through pending/approved projects located in high-resource areas.

The City is proud of the community's commitment to address our collective housing challenges, and with expanded staffing and additional resources, City staff is committed to fulfilling its responsibilities towards RHNA, and, more importantly, meeting the needs of the Healdsburg community.

City of Healdsburg Housing Element Update 2023-2031

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Housing Element



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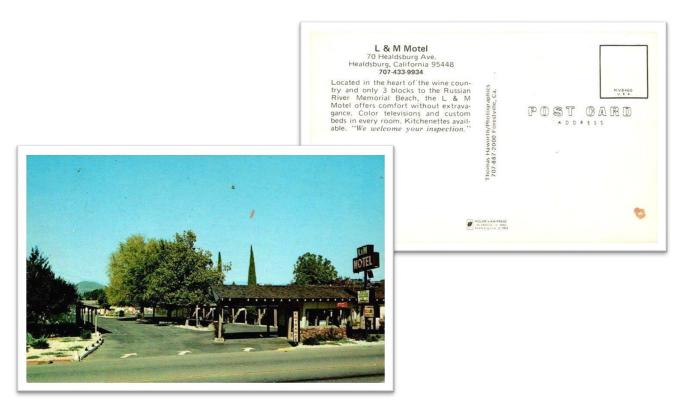
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Housing Element



The Housing Element of the General Plan is a detailed statement of the housing goals, policies, programs, and quantified objectives for the City. It additionally provides supporting information related to the provision of housing for existing and future residents of the City.

State Planning Law (Government Code Section 65580 et seq., as amended) requires that the Housing Element be updated and certified by the State Department of Housing and Community Development (HCD) every eight years. The existing Housing Element was adopted in 2015 and will expire in 2023; this Housing Element Update, referred to as the '6th Cycle Housing Element Update' will be in effect from 2023 through 2031.



With State funding, the City of Healdsburg acquired the L&M Motel. The L&M Village, which is a partnership between the City of Healdsburg and Reach for Home, will create 22 units for the chronically homeless.

A Note from the City's Housing Director

The City of Healdsburg has made affordable housing a priority as evidenced through the accomplishments of the 5th Cycle of RHNA and our current positioning to meet the goals of the 6th Cycle RHNA. The 5th Cycle accomplishments reflect an intentional approach to solve the ever-increasing need to build more housing to support the workers and residents of Healdsburg.

Recognizing that a healthy community is one that supports housing opportunities for all incomes, the City has leveraged its resources to advance the production of affordable housing opportunities. During the past eight years, the City's deed-restricted affordable housing inventory increased to represent more than 10% of the City's entire Housing stock, yet the community has asked for more to be done.

We have gone beyond the State mandated goals for Healdsburg because the need of our community is not formulaic; it is a symphony in need of a conductor with a fined tuned ear calibrated to the heartbeat of our City. Even in the face of fires, floods, droughts, and pandemics, the City has demonstrated its resiliency and has orchestrated its responses to serve those most vulnerable with the support of the community.

In the same spirit, the community is what drives our housing. Our Community Housing Committee, a group of volunteers, created a Housing Action Plan in 2018 that called for higher production, better policies and innovative strategies to meet our housing needs. Juxtaposed with our State mandated housing goals, the City is proud to highlight some of our major accomplishments:

- We passed Measure S, which provides 2% of Transient Occupancy Tax dedicated to affordable housing, now with annual revenues of more than \$1M.
- We passed Measure P and Measure H, which allow for middle-income deed restricted housing, either for sale or for rent, to be built outside of our voter-initiated Growth Management Ordinance.
- We leveraged hotel developments to negotiate for the inclusion of affordable housing to house the workforce that operates these world class destinations including:
 - 1) Montage Healdsburg
 - 2) Hotel Trio
 - 3) The Mill District
 - 4) The North Village
- We protected our naturally occurring affordable housing stock from market rate conversion by purchasing and rehabilitating 39 units across three properties and further leveraging them by master leasing 10 units for Permanent Supportive Housing.
- We leveraged two City-owned properties for affordable housing which currently are in the planning process for 168 affordable housing units.
- We built a navigation center at the City owned Victory Studios and Apartments that house 11 families and/or individuals that were formerly experiencing homelessness.
- We applied for and received over \$7M in State Project Homekey funding to open the first interim housing program in Northern Sonoma County to house those experiencing chronic homelessness.
- We have achieved functional zero in housing displaced families and have invested heavily in prevention programs to offset evictions, including expanding upon rental relocation assistance programs beyond the provisions of AB 1482.
- Most recently, the City Council approved the establishment of a Housing Department and authorized a new position within the Department to carry out the work that still needs to be done for our community.

While the accomplishments of the past mark milestones of success, the challenges of tomorrow are around the corner. In that spirit, the Housing Element Work Group will be continuing their work to address some of the most pressing challenges that are unique to Healdsburg. We see the submission of this housing element as a continuation of the community and political will to ensure Healdsburg is inclusive, equitable, and affordable to those that make it the very place we love to live.



1. Introduction and Summary

The Housing Element of the General Plan is a detailed statement of the housing goals, policies, programs, and quantified objectives for the City. The Element is based on a comprehensive technical assessment of existing housing policies and programs; current and projected housing needs, especially related to low-income households and special needs populations; an analysis of market, environmental, governmental, and other factors that constrain housing production; an assessment of fair housing; an inventory of sites available for housing development; and programs and policies that are intended to enhance housing production and improve access to housing.

The purpose of the Housing Element is to guide decision-making by elected and appointed officials. Specifically, the Housing Element sets forth how the City will address the need for housing, especially by low- and moderate-income families, and special needs families and individuals. The Housing Element also provides housing-related data and information to the public. This element contains:

- An assessment of housing needs in the City;
- An inventory of resources available to the City to meet these needs;
- The identification of constraints upon the maintenance, improvement, and development of housing for all income levels;
- A statement of the community's goals, quantified objectives, and policies related to the maintenance, improvement, and development of housing; and
- An eight-year schedule of actions the City is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

Housing Elements not only establish housing production goals and provide a framework for evaluating programs and policies, but much of the State's funding to build affordable housing is conditioned on a jurisdiction having a Housing Element that is certified by the State. Therefore, this document is a mandated necessity in addressing the critical housing shortage in California.

Housing Element Organization

The Housing Element is organized into four main sections

- Section 1 presents a profile of the Healdsburg community, introduces the overall Housing Element update effort, and provides a summary of housing needs and constraints, and a summary of the Fair Housing Assessment.
- Section 2 sets forth the City's Housing Strategy, which is comprised of the Goals, Policies, and Programs that it intends to implement over the next 8-year planning cycle. The City's Quantified Objectives are also included in this section.



- Section 3 describes the City's plan to address its 6th Cycle RHNA.
- Section 4 is the Technical Background Report, which provides statutorily required data including an assessment of housing needs and programs, an analysis of non-governmental, governmental, and environmental constraints to affordable housing provision, a discussion of special needs populations, and an assessment of fair housing.

Given the detailed analysis and extensive outreach that goes into developing the Housing Element, some of the required information is provided in the following appendices:

- Appendix A. Review of 2014 Housing Element and Summary of 5th Cycle Accomplishments
- Appendix B. Summary of State Legislation
- Appendix C. ABAG Housing Needs Data Packet
- Appendix D. Community Engagement and Input
- Appendix E. Community Survey Results
- Appendix F. Pending, Approved, and Permitted Sites/Unit Detail
- Appendix G. Adequate Alternative Sites Checklists

Community Profile

The land now occupied by Healdsburg was once the center of the thriving indigenous Pomo culture that endured for thousands of years in peace and harmony with the bountiful, natural world. The Spanish Mission and Rancho period that followed during the 19th Century brought devastation to the Pomo culture following its defeat in war by the forces of General Mariano Guadalupe Vallejo. Rancho Sotoyome, encompassing nearly 50,000 acres of Alexander Valley and the Healdsburg area was granted to Don Enrique Domingo Fitch (Henry Delano Fitch) in 1841 by the Mexican government, introducing pastoral agriculture (cattle grazing, etc.) to the area. In 1856, Fitch's widow Josefa Carrillo de Fitch, auctioned part of the Rancho to pay property taxes imposed by the new Anglo County government. Harmon Heald, an Ohio businessman who had been squatting on Rancho Sotoyome since 1850, purchased 100 acres. Heald's small town of Healdsburg was incorporated as a California city in 1867.

Over the following decades, Healdsburg became the hub and commercial service center for a thriving agricultural economy that also included timber and mineral extraction (sand and gravel and geothermal resources) all accessing markets with the Northwestern Pacific Railroad Line that linked San Francisco Bay to Humboldt Bay (Eureka), assembled by the Southern Pacific Railway Company mainly to transport timber. Over the years agriculture production followed market trends and demands but centered on fruits including pears and prunes and grapes that thrived in the warm climate and rich alluvial soils of the Alexander and Dry Creek Valleys. Growth of the Bay Area in the post-World War II period led to urban expansion and growth in Sonoma County, including Healdsburg. By the 1970's concerns about urban growth led to adoption of General Plans by the County and cities that established urban boundaries and



protected surrounding agricultural lands. Simultaneously, the wine industry was

in the beginning stages of what would be rapid growth in Sonoma and neighboring Napa County. Soon, the prunes and pears and other crops were being supplanted by wine grapes and the creation of

During the past 40 years the City of Healdsburg has Transformed fight a scars the City of Healdsburg has transforming fighter scheme county agriculture and other score based man scheme the string and other score based man scheme the score and other score based on the score of the agent of the score of the score of the fight score of the score of the score of the based tourism. numerous estate wineries.

During the past 40 years the City of Healdsburg has transformed from a small town serving the surrounding northern Sonoma County agriculture and other resource-based industries into a vibrant community and center of the County's wine industry, as well as an attraction for destination-based tourism. The growth of the County's wine industry, the City's charming downtown area surrounding a central plaza where award-winning

restaurants, destination-oriented retail, and wine tasting shops now dominate retail space, and its pleasant surrounding residential neighborhoods, protected by planning policies and ballot-based growth restrictions, have all contributed to this transformation.

By economic, fiscal, and quality of life measures, the City of Healdsburg has been highly successful -the vibrant and expanded retail uses, restaurants and lodging have created a stable and growing tax base for the City which supports high levels of municipal services to its residents. Increasing home values have led to substantial re-investment and improvement of the existing housing stock, new development including higher density housing and lodging, and revitalization of existing commercial buildings.

However, this success has created a housing market that has become unaffordable to long-term residents, families with young children, including the City's teachers, first responders, and agricultural and visitor-serving business workers who are increasingly displaced by increasing land prices driven by a supply constrained market. With a continuing decrease in working families and full-time residents, a variety of community demographic effects have set in including an overall aging of the population, a reduction in school-age population and attendance in local public schools, and a decrease in the percentage of Hispanic households, who have over the recent decades become the foundation of the local workforce serving agriculture, construction, retail, and lodging industries and still comprise over 30 percent of the City's population. Along with the reduction of working families able to afford living in Healdsburg comes a reduction of volunteers and support for community-based organizations and activities, and fewer young professional households, and fewer new (non-tourist oriented) employers in the town for lack of affordable housing for their workers.

During the 5th Cycle, the City's residents, the City Council, and City staff began responding to these challenges by expanding their efforts and financial support to increase the supply of housing of all types, including price-restricted affordable housing, moderate-income housing, housing affordable to middle-income families including young families, business owners, and local professionals, and homeless transitional housing. In this way, the City is trying to strike a balance between visitors and local residents and preserving Healdsburg's small town community character and community values.

Community Member Spotlight

Francisco



On a gentle fall morning, with leaves heavy in color dangling from the trees that precariously hold them from their inevitable spiraling tumble to the ground, Healdsburg begins its day. This day begins before the shops on the plaza open their doors, the restaurants fire up their grills, and the tourists from so many different places wake up in their hotels to begin their day and to enjoy the wonderful attractions that Healdsburg has to offer.

The workers of Healdsburg, the very backbone of our service-related industry, emerge from the blanket of cold air that is slowly warming up from the morning sun. They return to the linens that need to be washed, the menus that need to be cooked, the tables that need to be waited and they pick the grapes and make the wine that people travel to enjoy. They also teach our children, protect us from crime, and make this City a world-class destination.

Just feet away from City hall, dozens of workers stand outside the day-labor center, a simple construction trailer with picnic benches warmed by those waiting for employment. The cheerful banter, the layers of clothes that will be shed over the day as the sun warms, and the hand-packed lunches waiting to be eaten are a familiar sight to those who live here but are often not seen by those who visit.

The origins of Healdsburg, deeply entrenched in its agrarian history, are not unfamiliar with those that have worked the land for as long as one can remember. Yet, the hands that have worked these fields, built the hotels, and have tended to our thriving tourism business have been largely excluded from the success of their labor as evidenced by the cars arriving from other cities, where rent is more affordable.

On one such morning, our Housing Department visited these individuals and talked to them about their housing needs. Francisco, a gentleman in his 60's offered to step up to speak for the group. When asked what he would share about housing Francisco replied:

"Aquí en healdsburg la renta es muy caro. No puede uno sobrevivir bien. Tres o más personas tienen que vivir juntos para cubrir la renta. Desde la pandemia, se bajo mucho el trabajo." - Francisco

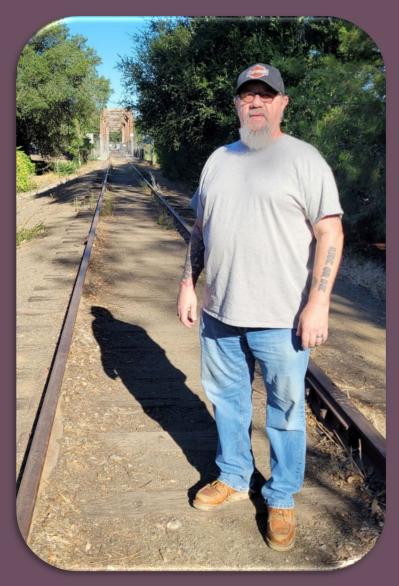
Translated: "Here in Healdsburg, the rent is very expensive. One cannot survive well. Three or more people need to live together to cover the rent. Ever since the pandemic, the amount of work has gone down."

Five other gentlemen nodded in agreement, almost in unison, lending their support for the statement and making us acutely aware that this is a topic that has been of concern for a long time.

As Healdsburg becomes more and more attractive to those that want a second home or have an all-cash offer, it also becomes more difficult to house those that have made it such a welcoming place to visit.

The talk of a Housing Element, its data, charts, and studies seemed to fade away with the morning cold and morphed into what we need to hear the most: the voice of those we hope to serve through the goals and programs identified in this document. We take this as a reminder that our community has a tremendous responsibility to provide housing for those that serve our community on a daily basis.

Community Member Spotlight Rick Cafferata



Rick Cafferata stands on the railroad tracks near the Russian River. On the other side of the tracks many homeless residents live in tents and other make-shift shelters awaiting housing and services.

One of the main challenges of homelessness is that each person, each encampment, and each story is unique, yet they all share one common aliment: trauma. In most cases, trauma paves the road to homelessness, gathers strength during homelessness, and haunts those that exit from homelessness. No program, plan, or funding is more important than the trust that can be built through human connection.

In Healdsburg, we partner with Reach for Home, a local non-profit with a mission to end homelessness in Northern Sonoma County. At the heart of Reach for Home is Rick Cafferata who tirelessly helps those experiencing homelessness in our community. In Healdsburg, we know those experiencing homelessness by name, not numbers because of the work of our outreach workers like Rick.

Rick served on our Housing Element Work Group and represented his lived-experience in helping to form the goals and policies of this document. He is a tireless advocate for those experiencing homelessness because he has shared in that experience and paved a pathway for others to follow. And many have.

On any given day, Rick moves about Healdsburg offering services, basic necessities, and a compassionate ear to those hidden in plain sight. When COVID-19 plagued our community, Rick delivered food directly to encampments, when it rains, he drives them to the winter shelter, and when they are ready, Rick brings them home. And now that is more possible than ever.

With the purchase of the L&M Motel through the State of California's Homekey Program, Rick will now have the ability to house up to 22 individuals experiencing chronic homelessness in their own individual rooms, something that most of his clients have not had in years. A perfect place to decompress from the trauma of homelessness before accepting more permanent housing solutions.

More about the L&M and Rick can be found at: <u>https://youtu.be/TnovUhul8hU</u>



As the result of these prior or ongoing efforts, the City performed well from a housing perspective during the 5th Cycle that began in 2015. A full review of 5th Cycle Programs, including lessons learned and connections and implications for the 6th Cycle are detailed in **Appendix A**. In summary major 5th Cycle achievements include the following:

- 1) constructed nearly all the affordable housing units specified in the Regional Housing Needs Allocation (RHNA);
- 2) set the stage (with the approval of a range of housing development projects) for meeting the RHNA requirements of the 6th Cycle setting construction in motion, not just siting;
- 3) developed and adopted a Housing Action Plan (HAP) that expanded upon and implemented Housing Element programs; and
- 4) implemented key Housing Element and HAP programs, as documented in this Update.

However, key challenges persist and must be faced in the coming years:

- 1) median housing prices continue to increase and are now well beyond the financial ability of most working families;
- 2) the Growth Management Ordinance, despite amendment, continues to restrain market rate rental or ownership housing construction;
- 3) the limited amount of land or development capacity restrains market-rate or affordable housing that may otherwise occur;
- 4) the existing housing supply continues to shift to use as second homes; and
- 5) high rents and associated loss of community-serving retail uses being displaced by visitor-oriented businesses are altering the community character.

The 6th Cycle 2023-2031 Housing Element Update is intended to meet these challenges in the context of the expanded and rigorous requirements of State Housing Law by going beyond statutory requirements in a variety of ways, particularly to further expand development capacity through intensification and infill development, promoting and requiring development of innovative housing types that meet local housing needs in a cost-effective

The City is proud of the community's commitment to address these challenges, and with expanded staffing and additional resources, City staff is committed to fulfilling its responsibilities towards RHNA, and, more importantly, meeting the needs of the Healdsburg community.

manner, and expanding housing opportunities for all income groups including the 'missing middle' worker households earning moderate and above moderate family income.



The City is proud of the community's commitment to address these challenges, and with expanded staffing and additional resources, City staff is committed to fulfilling its responsibilities towards RHNA, and, more importantly, meeting the needs of the Healdsburg community.

State Law and Local Planning

Consistency with State Law

State law establishes detailed requirements for Housing Elements, which are summarized in California Government Code Section 65583 and requires that all local governments adequately plan to meet the housing needs of everyone in the community. The Housing Element contains:

- An assessment of housing needs in the City;
- The identification of constraints upon the maintenance, improvement, and development of housing for all income groups;
- An inventory of sites and development capacity available to the City to meet the housing needs for all income groups sufficient to meet housing needs as required by the Regional Housing Needs Allocation;
- A statement of the community's goals and policies related to the maintenance, improvement, access to, and development of housing;
- A statement for how the City will affirmatively further fair housing for all its residents
- A set of quantified objectives for meeting the Regional Housing Needs Allocation and other needs and specification; and
- An eight-year schedule of programs the City will undertake to implement the policies and achieve the goals and objectives of the Housing Element.

Coordination with the City's Public Works Department and Electric, Water, and Wastewater Department occurred as the Housing Element was prepared. The Departments are aware of their statutory obligation to reserve capacity for affordable units and have confirmed that adequate capacity of these utilities presently exists, and, moreover, various improvements are underway to further expand capacity and conserve water supply.

New Statutory Requirements

During the past decade, multiple statewide bills have been passed by the State Legislature and signed into law by the Governor (see **Appendix B**). This body of legislation reflects heightened concerns at the State level regarding a persistent housing shortage in the State, estimated to be at least 3 million housing units. The lack of affordable housing options has taken a toll on the State's ability to house the working families and the labor force needed to sustain and drive its industries. More importantly, the inability to access homeownership has shortened the economic runway for generational wealth-building for those from marginalized communities and those who identify as ethnic minorities. There have been numerous bills introduced and passed by the State, but at the



center of all these initiatives, there is one consistent factor: we need to build housing. This plan incorporates the required State laws and reflects how these laws can be adapted to advance the needs of a community that aspires to go beyond addressing State requirements.

General Plan Consistency

State law requires that all cities and counties in the State adopt a General Plan to guide urban and rural development, conservation, infrastructure policy, and related regulations. A General Plan is comprehensive (integrating the various elements), long range (20 years or longer), and policy oriented (excludes specific regulations, etc.). The Healdsburg General Plan contains State mandated elements relating to Land Use, Circulation, Housing, Noise, Conservation and Open Space, and Safety. The Housing Element is the only element that must be certified by the State. The California Government Code Section 65300.5 requires internal consistency among the various elements of the General Plan. The 6th Cycle Housing Element, following certification by the State, will be incorporated into the Healdsburg 2030 General Plan. At the time the City's General Plan is updated, the City must (and will) ensure continuing consistency between the updated Housing Element and the new General Plan.

Purpose of the Housing Element

The purpose of the Housing Element of the General Plan is threefold:

- to assure that adequate development sites and development capacity is available for housing across the range of household income groups as established by the Association of Bay Area Governments through the Regional Housing Needs Allocation (RHNA) process;
- 2) to present related specified background information, inform and engage the public during preparation and during the term of the Housing Element; and
- 3) to establish policies and programs that remove identified constraints, affirmatively further fair housing, and support housing development meeting the needs of all household income groups.

The Housing Element presents a detailed statement of the housing goals, policies, programs, and quantified objectives for the City. The Element is based on a comprehensive technical assessment of prior existing housing policies and programs; current and projected housing needs, especially related to low-income households and special needs populations; an analysis of market, environmental, governmental, and other factors which constrain housing production; an assessment of ways that the City can affirmatively further fair housing for its residents; an inventory of sites available for housing construction; and an assessment of new programs and policies that can enhance housing production in the City. The Housing Element guides housing-related decision-making by elected and appointed officials. Specifically, the Housing Element sets forth how the City will address the need for housing, especially by low- and moderate-income families, and special needs families and individuals. The Housing Element also provides housing-related background data and information to the public.



Definitions of Terms

Throughout the Housing Element, a variety of technical terms related to income levels are used in describing and quantifying conditions and objectives. The definitions of these terms follow:

- Above Moderate-Income Households Households earning over 120 percent of the County Area Median Income (AMI), adjusted for household size.
- Affordable Housing Housing which costs no more than 30 percent of a moderate-, low-, very low-, or extremely low-income household's gross monthly income. For affordable rental units, monthly rent is capped at 30 percent of the relevant Area Median Income, divided by 12, with any tenant-paid utilities deducted. For homeownership units, maximum sales price is calculated assuming no more than 30 percent of the relevant AMI household's monthly income shall be spent on the monthly housing payment, which includes mortgage payments, taxes, insurance, and homeowners' dues.
- Area Median Income (AMI) The income figure representing the middle point of County household incomes, adjusted for household size. Fifty percent of households earn more than or equal to this figure and 50 percent earn less than or equal to this figure. For the year 2022, the AMI for a four-person household in County of Sonoma was \$112,800.
- Extremely Low-Income Households (ELI) Households earning not more than 30 percent of the AMI, adjusted for household size.
- Federal Poverty Threshold Issued by the Census Bureau and varies by family size, number of children, elderly. There is no geographic variation. For 2021, the poverty threshold for a single person under age 65 was \$14,097, for a three-family unit with two children, it was \$21,831. (Note: this differs from the Federal Poverty Guidelines issued by Health & Human Services).
- Low-Income Households Households earning between 51 and 80 percent of the AMI, adjusted for household size.
- Lower-Income Households Households earning up to 80 percent of the AMI, adjusted for household size, including Extremely Low-income, Very Low-income, and Low-income households.
- Missing-Middle Housing A range of house-scale buildings with multiple units compatible in scale and form with detached single-family homes. (Source: MissingMiddleHousing.com).
- Middle-Income Households Moderate-income households and households earning between 120 and 160 percent of the AMI, adjusted for household size.
- Moderate-Income Households Households earning 81 to 120 percent of the AMI, adjusted for household size.



- Multiplexes or Plexes A single structure that contains more than one dwelling unit. The units share common walls, and each typically has an outside entrance. Examples include duplex, triplex, quadruplex, etc.
- Very Low-Income Households (VLI) Households earning between 31 and 50 percent of the AMI, adjusted for household size.

Data Sources

The 2023 Housing Element Update makes full use of the pre-certified data package provided by the Association of Bay Area Governments (ABAG), which is contained in its entirety as **Appendix C**. In addition to the ABAG dataset, the following sources of data were used to help identify historic patterns of segregation, assess constraints to housing and the market conditions in Healdsburg; and to better identify specific housing needs:

- U.S. Census Bureau, Decennial Census; 2010, 2019, 2020
- U.S. Census Bureau, American Community Survey 5-Year Data, 2015-2019
- U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018
- U.S. Department of Agriculture, Census of Farmworkers; 2002, 2007, 2012, 2017
- U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW), 2020 first-quarter industry employment
- U.S. Department of Housing and Urban Development (HUD), Consolidated Housing Affordability Strategy (CHAS), 2013-2017 release
- U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release
- U.S. Department of Housing and Urban Development, Section 202/811 Supportive Housing Programs, 2010 Program Fact Sheet
- U.S. Department of Education, National Center for Education Statistics, 2020
- U.S. House of Representatives, US Code Low-Income Housing Preservation and Resident Homeownership, accessed January 1, 2022
- U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)
- California Tax Credit Allocation Committee, Opportunity Area Index, 2020, 2021
- California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2022



- California Employment Development Department, Local Area
 Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021.
- County of Sonoma, Grand Jury Report, June 2022
- City of Healdsburg, Annual Progress Reports, 2015-2021
- UC Berkeley, Urban Displacement Project
- Redfin Housing Market Trends, May 2022
- Zumper Rental Data, June 2022
- Burbank Housing, 2022

Population Characteristics and Trends

This section explores the characteristics and the housing needs of Healdsburg residents and helps to provide direction in updating the goals, policies, and programs found within this Housing Element. A full analysis of housing needs and demographics is contained in the Technical Background Report, and the ABAG Housing Needs Data Packet is included as **Appendix C**.

Healdsburg's population increased 27 percent, from 9,469 to 12,089 between 1990 and 2020, as shown in **Figure 1**. During the same time period, Sonoma County's population grew 27 percent and the Bay Area's population grew 29 percent. Healdsburg's population increased the most between 1995 and 2005, followed by periodic annual decreases and a slight increase over time. Overall, Healdsburg's population in 2020 was only 4 percent higher than its population in 2005. <u>Since 2020, and as of May 2022, the State Department of Finance reports that Healdsburg's population fell to 11,030.</u>



Figure 1: Healdsburg, County, & Regional Population Over Time, 2000-2020

Housing production trends over a wider timeframe indicate that production has substantially slowed as shown in **Figure 2**, leading to a modest population increase in the 21st century to date.

Source: California Department of Finance, E-5 series, 2020 1

¹ Note: DOF uses the decennial census to benchmark subsequent population estimates. Due to this, breaks may appear in this data between estimated data (1999, 2009) and data from the Census count (2000, 2010).

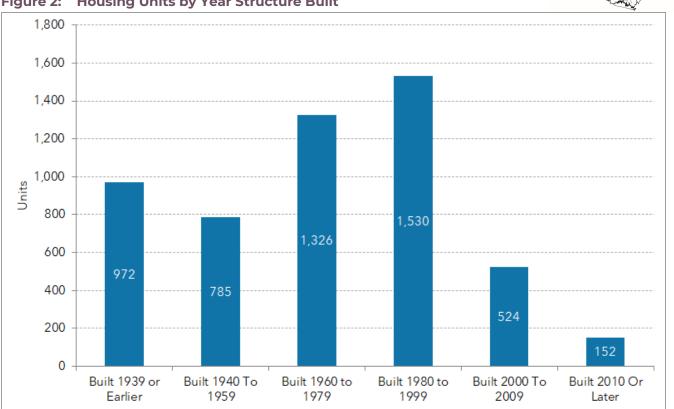


Figure 2: Housing Units by Year Structure Built

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034

Community Involvement

Housing issues affect the entire community and are best understood in a community-driven dialogue. The public participation requirement of Housing Element law presents an opportunity to engage constituents in defining housing issues, and in creating solutions that both meet the needs of the community and the requirements of State law.

The 6th Cycle Housing Element Update has been undertaken during the COVID-19 global pandemic. Community engagement had to be adjusted to allow and encourage meaningful public participation and input without requiring community members to meet or gather in-person. Staff and consultants made use of multiple in-person and digital platforms to facilitate public input throughout the update process and carefully considered community input in the development of the Housing Element.

The community engagement process was steered by the Housing Element Working Group (HEWG), a diverse group of community stakeholders convened to guide priorities throughout the preparation process. <u>Members of the nine-person group included the following:</u>

- A member with lived experience of homelessness
- A member from the Healdsburg business community
- A member from a local non-profit organization
- A member that rents their primary residence



- A member of the Healdsburg Planning Commission
- A member representing the faith-based community
- Community member at-large (x3)

The motivation and success of the group organically led to the group building a roadmap for followup work in the 6th Housing Element implementation era (2023-2031), as the City's growing housing efforts formalized into a Housing Department.

The greater community was outreached extensively with City correspondence, mailers, door-to-door canvassing, and digital media resources distributed by the City and HEWG. These community outreach efforts and the incorporation of public feedback into the Housing Element are provided in full within **Appendix D** of the Housing Element.

Through this outreach, City staff provided updates to more than 500 contacts signed up to receive emails and received over 500 community survey responses (see **Appendix E**). Commenters emphasized housing affordability and availability as key priorities, particularly for young families and local workers. In addition to surveys, community members participated in a dozen public workshops on the Housing Element Update. Opportunities for public participation were provided throughout the Housing Element process as outlined below:

- January 2022:
 - City Council kick-off (1/3/22), presented by the consultant team and the subregional Napa Sonoma Collaborative
 - Community survey launched, receiving 500 individual responses
 - HEWG Workshop #1 (1/19/22) with project overview
 - HEWG Workshop #2 (1/31/22) on public outreach and housing site analysis
- February 2022:
 - 750 homes canvassed with a door-to-door bilingual flyer promoting the community survey, prioritizing neighborhoods with higher proportions of renters in areas designated Low Resource on TCAC/HCD Opportunity Maps
 - Bilingual mailer sent to all City utility customers to promote community survey
 - HEWG Workshop #3 (2/28/22) on public outreach, housing site analysis, and programs/policies
- March 2022:
 - HEWG Workshop #4 (3/14/22) on housing site analysis and programs/policies
- April 2022:
 - HEWG Workshop #5 (4/11/22) on housing site analysis, public outreach, programs/policies, and scope of future work during the Housing Element implementation phase



- Housing development stakeholder engagement with survey tailored to inform analysis of governmental and non-governmental constraints
- Planning Commission Workshop (4/26/22) on Draft Housing Strategy
- June 2022:
 - City Council Workshop (6/6/22) on Draft Housing Strategy
- July 2022:
 - HEWG Workshop #6 (7/11/22) on revised Draft Housing Strategy, quantified objectives, and scope of future work during Housing Element implementation phase
- August 2022:
 - HEWG Workshop #7 (8/8/22) on fair housing contributing factors and quantified objectives
- September 2022:
 - Launch of Public Review Draft Housing Element (9/30/22), distributed to residents and community stakeholders for 30-day public comment period
- October 2022:
 - Planning Commission Workshop (10/11/22) on Public Review Draft Housing Element
- November 2022:
 - Incorporation of public comment from 30-day public review into draft for submittal to California Housing & Community Development (HCD)
- February/March 2023 [planned]::
 - HEWG Workshop #8 (3/13/23) to discuss status of Housing Element update and work plan for upcoming year (quorum was not achieved)
- April/May 2023:
 - Planning Commission & City Council adoption hearings

Summary of Constraints

Constraints to the production of adequate housing affordable to lower-income households are created by market, governmental, infrastructure, and environmental factors, among others. Constraints can generally be divided into 'governmental constraints' - those that are controlled by Federal, State, and local governments - and 'nongovernmental constraints' - factors that are not created by and cannot be directly affected by government policy or regulations.

As demonstrated in the Sites Evaluation, the City of Healdsburg can meet its 6th Cycle RHNA obligation despite outstanding constraints that were identified in the 5th Cycle. There can be further

2023Adopted 6th Cycle Housing Element Update



progress made to reduce constraints that may impede the City's housing production beyond the 6th Cycle. These Governmental and Non-governmental constraints are identified in the Technical Background Report, and analysis of these constraints informed the development of programs that eliminate or reduce their negative effects on housing supply and cost.

Governmental constraints result from City land use policies, regulations, ordinances, taxes and fees and the availability and cost of infrastructure needed to serve new development. In a survey of developer stakeholders, 75 percent of respondents indicated that "zoning and permitted uses" in Healdsburg are somewhat or highly prohibitive. The primary governmental constraint in Healdsburg is the Growth Management Ordinance, which limits the number of market-rate units that can be permitted each year. Despite amendments over the years (most recently Measure H, which passed in 2020), the GMO remains a constraint on housing construction in Healdsburg. The community survey found the GMO in the top ten topics across all write-in responses, the HEWG recommended the GMO to be listed as a central contributing factor to fair housing issues (see the **Technical Background Report**), and the survey of development professionals rated the GMO as the primary constraint to development, deemed Highly Prohibitive by a supermajority of respondents.

Non-governmental constraints result from factors that affect housing affordability not directly connected to government policy, programs, or regulation. Key non-governmental constraints related to housing include the cost of construction (including land prices, building materials, and labor), availability and price of construction and mortgage financing, market conditions generally including pricing, consumer preferences, demand, and competition, capacity and availability of local or regional developers and builders, and natural hazards and environmental conditions that effect costs and availability of housing. In a survey of developer stakeholders, 75 percent of developer stakeholders indicated that the cost of construction materials is somewhat or highly prohibitive.

As noted above, the high price of land and housing in Healdsburg is the primary non-governmental constraint, driven by Healdsburg's sustained position as a popular Sonoma County visitor-destination which continues to drive housing prices higher in combination with the second home and vacation rental markets, which, in turn, reduce the City's housing inventory available to working families. At the same time, there is limited turnover of existing homes. It is challenging for young families to enter the Healdsburg market, much less stay in the community as their families grow and their housing needs change.

These challenges are attributable to both governmental and non-governmental constraints, which directly affect the production and availability of housing, especially affordable housing. High (and increasing) direct development costs, including the cost and availability of materials and labor represent another constraint.

The **Housing Strategy (Chapter 2)** includes new policies and programs, informed by the Constraints Analysis, and other input including the community outreach efforts, to reduce or mitigate both governmental and non-governmental constraints within the broader policy context. These policies and programs are noted under each constraint. he plans and programs intended to address these constraints include **Housing Program 4 - Expanding Housing Development CapacityHousing Program 4: Expanding Housing Development Capacity** and **Housing**



Program 7 - Removing Housing Constraints Housing Constraints.



Summary of Fair Housing Assessment and Programs

Assembly Bill 686 (Affirmatively Furthering Fair Housing, or AFFH) requires state and local agencies to take proactive measures to correct any housing inequalities related to race, national origin, color, ancestry, sex, marital status, disability, religion, or other protected characteristics. All Housing Elements due on or after January 1, 2021 (like Healdsburg's) must address these new requirements. The City must also ensure that its policies and programs affirmatively further fair housing, and that they take no actions that counter those goals.

Under State law, Affirmatively Furthering Fair Housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." In the context of a community's housing needs, AFFH is not just about the number of housing units needed, but also about where the units are located and who has access to them.

Housing Element law now requires the City to prepare an Assessment of Fair Housing, identify factors that contribute to local fair housing issues, and include meaningful actions within the Housing Element Programs to address those factors. The findings from the Assessment of Fair Housing must also be integrated into the Sites Inventory. Public participation and outreach efforts for the Housing Element update must affirmatively further fair housing. Per HCD Guidance, the Assessment of Fair Housing addresses enforcement and outreach capacity, segregation and integration, disparities in access to opportunity, disproportionate housing needs including displacement, and concentrated areas of poverty and affluence across racial/ethnic groups. The City of Healdsburg commits to embedding the lens of fair housing and equity – racial, social, and economic – throughout this plan.

One key aspect of AFFH requirements is to ensure an equitable distribution of sites in the Housing Element Sites Inventory. Since Healdsburg is an affluent community with confluence of both High Resource and Low Resource communities as identified by HCD, this Housing Element plans for equitable distribution of sites including affordable housing in High Resource areas. This sites strategy is paired with programs to ensure that sites in Low Resource neighborhoods are supported by community amenities, infrastructure, and services to prevent segregation in Healdsburg.

Based on data, local knowledge, community outreach and input, and analysis, the City has identified the following factors as contributing to local fair housing issues:

- Limited turnover of existing housing stock excludes younger population who cannot afford to enter the housing market
- Lack of affordable, accessible housing in a range of sizes
- Displacement of residents due to economic pressures (priced out, etc.)
- Lack of affordable units appropriately sized for large families
- Growth management ordinance



Each of these factors are related to limited housing supply and as such, increasing housing supply is the central theme of the 6th Cycle Housing

Element Update. As documented in the Quantified Objectives, nearly 1,000 additional units are targeted for construction over the next eight years, a nearly 20 percent increase in the City's housing stock. These new housing units will derive from the Housing Programs which, where appropriate, document the new housing units expected from each Program. The City has an ongoing fair housing program that will be expanded to meet the requirements of AB-686 and other new State laws. Key to this expansion is taking a more proactive approach to fair housing administration and addressing the full range of fair housing policy and statutory requirements.

Meaningful actions to affirmatively further fair housing are reflected in **Housing Program 6** - **Affirmatively Furthering Fair HousingHousing Program 6 - Affirmatively Furthering Fair Housing Program 6 include:**

- Refer Fair Housing Complaints
- Provide Non-Discrimination Clause and Mandate Fair Housing Practices
- Disseminate Fair Housing Information
- Conduct Spanish Language Outreach
- Provide Utility Discounts for Lower-Income Households
- Conduct Code Enforcement
- Improve Infrastructure in Lower Resource Areas

Regional Housing Needs Assessment and Summary of Housing Strategy

The Regional Housing Needs Allocation (RHNA) is a determination of projected and existing housing needs for all jurisdictions in California. State housing law requires that each jurisdiction's Housing Element demonstrate that the jurisdiction has sufficient land zoned for housing and plan to meet its RHNA. The Association of Bay Area Governments (ABAG) conducts the RHNA process for jurisdictions in the San Francisco Bay Area every eight years.

The RHNA methodology applies several factors to further the objectives of State law and meet ABAG's regional goals as outlined in its Plan Bay Area. Because one of the five objectives of State housing law is to ensure that there is not an overconcentration of households by income group, after a RHNA total is calculated, a social equity adjustment is applied. The social equity adjustment is based on household income and access to resources. The social equity adjustment helps ensure that the RHNA methodology does not overburden low-income jurisdictions with more low-income households., The result is that higher income jurisdictions are required to plan for fewer market rate units and more affordable units, while lower income jurisdictions plan for more market rate units and fewer affordable units.



Healdsburg's RHNA for the 6th Cycle Housing Element period (2023 - 2031) is 476 units, divided among each income group as shown in **Table 1.**²

Table 1: Healdsburg's 6th Cycle RHNA

Income Group	2023 - 2031 RHNA Allocation
Very Low	190
Low	109
Moderate	49
Above Moderate	<u>128</u>
Total	476

Sources: City of Healdsburg; ABAG.

Table 2 summarizes the City's plan to meet its RHNA, which includes currently planned and approved development, projected ADU development, and acquisition and conversion of market rate units into affordable units.

Table 2: 6th Cycle Strategy to Address RHNA

Income Group	2023 - 2031 RHNA Allocation	Pending, Approved, or Permitted Units	Acquisition and Converted Units	Projected ADUs	Total Credits	% of RHNA
Lower						
Extremely Low	83	5	22	16	43	
Very Low	107	114		10	169	
Low	<u>109</u>	<u>116</u>	<u>0</u>	<u>32</u>	<u>148</u>	
Lower, Subtotal	299	235	61	64	360	120%
Moderate	49	65		32	97	198%
Above Moderate	<u>128</u>	<u>501</u>		10	<u>511</u>	399%
Total	476	801	61	106	968	203%

Sources: City of Healdsburg; ABAG.

² While the RHNA is assigned based on the four income categories above, the law also requires that communities plan for the needs of extremely low-income households, defined as those making less than 30% of the County AMI. The housing need for the extremely low-income group is calculated using U.S. Census Bureau data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households. In Healdsburg, 970 of Healdsburg's households are 0 to 50% AMI while 425 are extremely low-income. Therefore, extremely low-income households represent 43.8% of households who are 0 to 50% AMI, as 425 divided by 970 is 43.8%.



			Adequa	ate Sites			
Income Group	2023 - 2031 RHNA Allocation	Pending, Approved, or Permitted Units	Market Rate Units Converted to Affordable	Hotel, Motel, or Hostel Conversion	Projected ADUs	Total Credits	% of RHNA
Lower							
Extremely Low	83	16	0	22	17	55	
Very Low	107	119	39	0	16	174	
Low	<u>109</u>	<u>129</u>	<u>0</u>	<u>0</u>	<u>33</u>	<u>162</u>	
Lower, Subtotal	299	264	39	22	66	391	131%
Moderate	49	43			33	76	155%
Above Moderate	<u>128</u>	<u>503</u>			11	<u>514</u>	402%
Total	476	810	39	22	110	981	206%

Sources: City of Healdsburg; ABAG.



2. Housing Strategy

The City of Healdsburg, through adopting its 6th Cycle Housing Element, adopts the following Goals and Policies, as well as a set of Implementing Programs to be completed during the timeframe of the 6th Cycle Housing Element.

During the 5th Cycle, the City of Healdsburg enacted aggressive housing policy implementation efforts and is committed to further expanding these efforts and seeking new funding sources to support fair, affordable, and environmentally-sensitive housing. The collective Goals, Policies and Programs set forth in this Housing Element and as administered by the City of Healdsburg comply with and further the requirements and goals of Government Code Section 8899.50(b), "A public agency shall administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing and take no action that is materially inconsistent with its obligation to affirmatively further fair housing." As demonstrated throughout the following Goals, Policies and Programs, and in particular in **Goal 6: Affirmatively Furthering Fair Housing** and its related policies, the City is

committing to taking meaningful actions to fulfill its obligation to affirmatively further fair housing and will take no actions that would be materially inconsistent with this goal.

The policies associated with each Goal are listed below each Goal, and implementing programs are described in the subsequent section. (Parenthetical notes following Goals, Policies, and Programs explain changes from the 2015 Housing Element.)

Goals and Policies

Goal 1. Maintain affordable housing sites and expand housing development capacity as needed to accommodate the City's regional housing need throughout the eight-year Planning Period and beyond.

While the City's pipeline of projects is more than adequate to meet Healdsburg's Regional Housing Needs Allocation (RHNA), policies and programs are required to maintain and develop these sites, as well as generally expand affordable and other housing development sites. Specifically, SB 166 (No Net Loss) requires that cities maintain a Sites Inventory to incrementally meet the RHNA, by income category, on an annual basis throughout the Planning Period.



Policies	and the second sec
Policy 1.1	Maintain the supply of residentially-designated land shown in the Housing Sites Inventory adequate to accommodate Healdsburg's share of the regional housing need allocation during the 6th Cycle.
	(Existing, Modified)
	Implementing Program: HP-3 Sustaining and Expanding Housing Sites
Policy 1.2	Prepare and maintain an Administrative Site List that lists and describes additional housing sites with appropriate residential zoning that presently exist or can be added to the City's Housing Sites Inventory if and when an analysis provided through the Annual Progress Report indicates that sufficient sites may not exist to accommodate the City's remaining RHNA, by income level, during the planning period.
	(New, assures adequate sites are available)
	Implementing Program: HP-3 Sustaining and Expanding Housing Sites
Policy 1.3	Consistent with "no-net-loss" density provisions contained in Government Code Section 65863, consider the potential impact on the City's ability to meet its share of the regional housing need when reviewing proposals that reclassify residentially-designated property to other uses, or assume fewer units for the site than what is reflected in the Housing Sites Inventory.
	(Existing, Modified)
	Implementing Program: HP-3 Sustaining and Expanding Housing Sites
Policy 1.4	Facilitate affordable housing opportunities in the City's existing developed neighborhoods by permitting, promoting, and incentivizing construction of ADUs, JADUs, and other accessory units and lot splits as required by Government Code 65852.81 (SB 9).
	Implementing Program: HP-5 Affordable Housing Development Program (New funding required)
Policy 1.5	Pursue selected rezoning of lower density residential or commercial/industrial parcels to higher density multifamily or mixed-use zoning districts.
	(Existing, Modified)
	Implementing Program: HP-4 Expanding Housing Development Capacity



Policy 1.6 Evaluate and where appropriate increase minimum housing density requirements for residential and mixed-use Land Use Element Designations and corresponding Zoning Districts.

(Existing, Modified)

Implementing Program: HP- 4 Expanding Housing Development Capacity

Policy 1.7 Review all Zoning Districts that allow multifamily residential uses and increase allowable maximum densities, established 'by right,' from their existing maximum to 30 units or more per acre as may be appropriate and adjust height limits to allow such higher density.

(New)

Implementing Program: HP- 4 Expanding Housing Development Capacity

Policy 1.8 Identify and pursue new Area Plans or Specific Plans in areas where substantial increases in housing development capacity are possible.

(Existing, Modified)

Implementing Program: HP- 4 Expanding Housing Development Capacity

Policy 1.9 Identify and evaluate Housing Opportunity Sites, acquire when advantageous, and seek public agency or private partners and initiate planning, development entitlement, and partnership agreements as the Opportunity Sites become available.

(New)

Implementing Program: HP- 4 Expanding Housing Development Capacity (new funding required)

Policy 1.10 Assure zoning changes for Area Plans, Specific Plans, and/or Housing Opportunity Sites include set-aside sites for affordable housing and middleincome housing development through site dedication or donation to the City or an affordable housing developer (one acre minimum), offering units with an enduring price or rent control, and offering sites (lots) for sweatequity ownership projects (e.g., Habitat for Humanity) and similar programs.

(New)

Implementing Program: HP-3 Housing Sites Inventory



Goal 2. Remove or mitigate impediments to housing production including both governmental constraints and non-governmental constraints.

Housing development is constrained by both the policies, programs, and regulations imposed by government agencies and by market and natural conditions that influence housing development costs. Accordingly, the following policies address both governmental and non-governmental constraints.

Policies

Policy 2.1 Reduce the time spent reviewing and acting upon residential development applications to reduce development costs and improve development feasibility.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints

Policy 2.2 Reduce the project review requirements for small subdivisions of residentially-zoned land (10 or fewer units) by comparison to larger, more complex projects.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code Amendments)

Policy 2.3 Streamline permitting for 'multiplexes' (e.g., duplexes, triplexes, etc.) and provide regulatory incentives within single-family designated zoning districts.

(New)

Implementing Program: HP-7 Remove Housing Constraints

Policy 2.4 Incentivize affordable and middle-income housing located in single-family neighborhoods by reducing pre-development and construction costs of ADUs by pre-approving prototypical plans and modular units, and by offering construction loans with debt forgiveness provisions in return for longer-term, price restricted rentals.

(New)

Implementing Programs: HP-7 Remove Housing Constraints (New funding required)



Policy 2.5 Continue improving the efficiency of the City's Design Review process by providing consistent and predictable policy direction, expanding objective design standards, and reducing the scope of uses requiring a Conditional Use Permit.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code Amendments)

Policy 2.6 Pursue amendments to the City's Growth Management Ordinance with the intent of increasing housing production.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (GMO)

Policy 2.7 Ensure that aggregate impact fees and related application exactions do not deter new residential development (i.e., target fee burdens that do not exceed 15 percent of the expected retail value/price of new development) and ensure compliance with AB 602.

(New, Statutory Compliance)

Implementing Program: HP-7 Remove Housing Constraints (Impact Fee Update)

Policy 2.8 Explore the efficacy of reducing, or waiving impact fees to affordable and middle-income housing units required by the Inclusionary Housing Ordinance, density bonus, or City development code provisions and pay for such fee reductions with new funding sources dedicated to incentivizing housing production.

(New)

Implementing Program: HP-7 Remove Housing Constraints (Impact Fee Update) (new funding required)

Policy 2.9 Use land-secured and tax increment financing districts (special property taxes, property tax increments) to encourage private infrastructure investment associated with new housing production.

(New)

Implementing Program: HP-7 Remove Housing Constraints (new funding source)



Policy 2.10 Create additional Citywide sources of funding to support infrastructure expansion for new housing when needed including use of utility rate-based revenue bonds, general obligation bonds, grants from Federal and State programs, and JPA-issued bonds.

(New)

Implementing Program: HP-7 Remove Housing Constraints (new funding sources)

Policy 2.11 Utilize a 'Program EIR' (Public Resources Code Section 15168) for environmental review of all land use plans prepared by the City (area plans and specific plans).

(New)

Implementing Program: HP-7 Remove Housing Constraints (Code and procedural amendments)

Policy 2.12 Continue waiver of development standards (e.g., required number of parking spaces) when feasible and where certain criteria are met (e.g., development feasibility is improved, project design is improved, and/or specified housing use types are eligible for by-right review pursuant to statutory requirements).

(Existing)

Implementing Program: HP-7 Remove Housing Constraints (Code and procedural amendments)



Goal 3. Preserve and improve the City's existing housing stock and community character in residential neighborhoods, while allowing greater density (e.g., ADUs/JADUs, SB 9, multiplexes).

Existing housing units including both ownership and rental units are not constant. They are affected by aging and deterioration, conversion to other uses, and, with respect to rental units, may be affected by conversion to ownership (condominium) uses.

Policies

Policy 3.1 Preserve and improve the stock of affordable rental housing units and special needs housing by offering low interest loans and other incentives to rehabilitate and upgrade these properties and continue opportunistic investment (purchase and rehabilitation) of existing market rate multifamily rental buildings for conversion to affordable, price-restricted units.

(Existing, Modified)

Implementing Program: HP-2 Preserve Housing and Neighborhoods (New funding required)

Policy 3.2 Measure and mitigate loss of housing stock to second homes.

(Existing, Modified)

Implementing Program: HP-2 Preserve Housing and Neighborhoods (New funding required)

Policy 3.3 Vigorously enforce restrictions on vacation rentals and other short-term rentals in the City and identify and amend code restrictions to eliminate loopholes that violate the 30-day minimum rental requirement.

(Existing, Modified)

Implementing Program: HP-2 Preserve Housing and Neighborhoods

Policy 3.4 Expand housing opportunities for middle-income housing households. *(New)*

Implementing Program: HP-5 Affordable and Middle-Income Housing Development (New funding required)



Policy 3.5 Discourage the conversion of existing multifamily rental units to condominium units in order to preserve the supply of rental housing in the City.

(Existing)

Implementing Program: HP-2 Preserving Housing and Neighborhoods

Policy 3.6 In cooperation with affordable housing project owners, monitor pricerestricted affordable housing programs and projects to ensure their continued occupancy by appropriate individuals and households.

(Existing, Modified)

Implementing Programs: HP-1 Housing Administration (affordability monitoring)

Policy 3.7 Control rent increases on mobile home park spaces consistent with local ordinances and State law.

(Existing)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods (Rent Stabilization ordinance)

Policy 3.8 Sustain long-term maximum rents and sale price restriction contracts on affordable housing units developed with City assistance and also on the inclusionary units provided by private developers, and encourage owners of affordable housing units to preserve affordable housing through refinancing and the extension of affordability covenants.

(Existing, Modified)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods (new funding may be required)

Policy 3.9 Provide additional land use and public safety policies and programs as needed to mitigate wildfire hazards and loss of existing housing units in the City.

(New)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods (Update General Plan Safety Element)



Policy 3.10 Support and collaborate with local and surrounding neighborhood associations, Fire Safe Councils, and Citizens Organized to Prepare for Emergencies (COPE) organizations to develop area-specific wildfire response plans.

(New)

Implementing Programs: HP-2 Preserving Housing and Neighborhoods

Policy 3.11 Reduce wildfire hazards on lands surrounding the City, particularly on the eastern edge through cooperation with landowners, the Northern Sonoma County Fire Protection District, Cal Fire, and other entities to reduce fuel and create fire resistant 'buffer zones.'

(New)

<u>Implementing Programs: HP-2 Preserving Housing and Neighborhoods</u> (Inter-agency cooperation)

Policy 3.12 Require and provide technical guidance and financial incentives to homeowners for completing 'defensible space' and fire safe building 'hardening' retrofitting.

(New)

Implementing Program: HP-2 Preserving Housing and Neighborhoods (new funding may be required)



Goal 4. Support and promote housing production during the Planning Period, emphasizing affordable and middle-income housing needs.

In addition to establishing and maintaining housing sites, removing or mitigating constraints, and creating additional development capacity, it will be necessary to provide additional regulatory and programmatic incentives, as well as subsidies to achieve additional affordable and middle-Income housing production.

Policies

Policy 4.1 Post an accessible, interactive, and 'user-friendly' version of the City's Housing Sites Inventory that includes site-specific development information to attract, engage and encourage prospective developers.

(Existing, Modified)

Implementing Program: HP-1 Housing Administration, HP-3 Sustaining and Expanding Housing Sites

Policy 4.2 Cooperate, partner and provide local matching funds with affordable housing developers to: a) benefit from their expertise and resources available for the development of affordable housing units, and b) support their efforts to secure Low-Income Housing Tax Credits and other development financial assistance.

(Existing, Modified)

Implementing Program: HP-5 Affordable and Middle-Income Housing Development

Policy 4.3 Provide regulatory, processing, and financial incentives to developers that provide on-site affordable housing for people with special needs, including extremely low-, very low-, and low-income renters and buyers. Such incentives shall include contribution of City-owned sites, modification of development standards, priority processing, and direct financial assistance. Requests for incentives shall be made with the initial project application and shall be determined on a case-by-case basis, consistent with Government Code 65915.

(Existing, Modified)

Implementing Program: HP-5 Affordable and Middle-Income Housing Development



Policy 4.4 Continue to require on-site production of low- and moderate-income housing units within new residential development projects consistent with the City's Inclusionary Housing Ordinance.

(Existing, Modified)

Implementing Program: HP-5 Affordable and Middle-Income Housing Development

Policy 4.5 Grant density bonuses in accordance with State law and City Ordinance and continue to grant an additional density bonus when an applicant proposes that 100 percent of the bonus units not restricted to lower-income households will be affordable to moderate- and middle-income households.

(Existing, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code amendments)

Policy 4.6 As a part of future market-rate housing projects involving development agreements, require a substantial portion of housing created to be exclusively available to the local workforce on a continuing basis through title or price restrictions, (e.g., resales must meet first sale price and continuing price restrictions).

(New)

Implementing Programs: HP-4 Expand Housing Development Capacity, HP-5 Affordable and Middle-Income Housing Development

Policy 4.7 Provide direct subsidies to middle-income, local workforce households to improve credit worthiness and offset equity requirements using 'silent second mortgages' equity sharing, or other subsidy instruments.

(New)

Implementing Programs: HP-5 Affordable and Middle-Income Housing Development

Policy 4.8 Develop moderate- and middle-income ownership housing in concert with the Housing Land Trust of Sonoma County (or other similar organizations) specifically targeted at providing home ownership opportunities to moderate- and middle-income, local workforce families.

(Existing, Modified)

Implementing Programs: HP-5 Affordable and Middle-Income Housing Development (New funding required)





Goal 5. Support and promote housing for homeless, special needs households, farmworkers, and elderly individuals.

The City of Healdsburg recognizes the needs of its homeless, special needs, farmworkers, and elderly individuals. Building on existing efforts, including the <u>Project</u> HomeKey Program, the City will continue to pursue policies and programs to provide needed housing and supportive programs within the City through cooperation with County and regional agencies and organizations.

Policies

Policy 5.1 Quantify the housing needs of people with disabilities, including residents with developmental disabilities, female-headed households, the housing needs of the homeless and those in peril of becoming homeless, and the housing needs of farmworkers.

(Existing, Modified, and Consolidated)

Implementing Program: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.2 Continue current City efforts to address homeless population needs by expanding transitional and supportive housing within Healdsburg and sustaining related services.

(New)

Implementing Program: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.3 Amend multifamily, mixed-use, and nonresidential zoning districts to allow permanent supportive housing and low-barrier navigation centers, pursuant to AB 101 and AB 2162.

(New, Statutory requirement)

Implementing Programs: HP-4 Expand Housing Capacity, HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.4 Increase the number of extremely low-income units in affordable housing developments by expanding City subsidies to these projects and including units that qualify as a 'housing unit' in future City-sponsored transitional and supportive services projects and pursuing siting, production, rehabilitation, and preservation of housing for extremely low-income households, including non-traditional housing types.

(New)



Implementing Programs: HP-5 Affordable and Middle-Income Housing Development, HP 8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.5 Encourage and facilitate the transition of homeless residents to permanent housing.

(New)

Implementing Programs: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.6 Collaborate with the County, other cities, and non-profit organizations to meet the needs of the homeless and those at risk of homelessness in Healdsburg.

(New)

Implementing Programs: HP-8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.7 Encourage senior housing development, rehabilitation, and preservation, particularly in neighborhoods that are accessible to public transit, commercial services, healthcare, and community facilities.

(Existing)

Implementing Programs: HP 8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.8 Continue to encourage the provision of housing to serve people with developmental disabilities in new affordable housing projects by facilitating needed Community Care Housing and Community Development (HCD) licensing, streamlining required land use approvals, requiring affordable housing developers to set aside a portion of their units for the developmentally disabled, and offering available subsidies and granting fee waivers.

(New)

Implementing Programs: HP-8 Extremely Low, Homeless, and Special Needs Housing



Policy 5.9 Assist special needs housing project partners by seeking dedicated funding for developmentally disabled affordable housing construction including state and federal grants as they become available, and support construction funding applications for affordable housing projects serving the developmentally disabled.

(New)

Implementing Programs: HP-1 Housing Administration (funding), HP 8 Extremely Low, Homeless, and Special Needs Housing

Policy 5.10 Continue to provide individuals with disabilities 'Reasonable Accommodation' through universal design standards and flexibility in zoning and building code regulations as necessary to eliminate barriers to housing.

(Existing, Consolidated, Modified)

Implementing Program: HP-7 Remove Housing Constraints (Code amendments and procedures)

Policy 5.11 Require the inclusion of units meeting special needs in affordable housing projects developed with City assistance, where feasible and appropriate.

(New)

Implementing Programs: HP-5 Affordable and Middle-Income Housing Development, HP-8 Extremely Low, Homeless, and Special Needs Housing



Goal 6. Affirmatively further fair housing and promote environmental justice for all residents by ensuring fair and equal housing opportunities for all Healdsburg residents regardless of race, color, religion, sex, sexual orientation, age, marital status, national origin, ancestry, familial status, disability, or source of income, and promoting fair housing practices and prohibiting discrimination.

Healdsburg contains areas designated as Low, Moderate, and High Resource according to HCD's Affirmatively Furthering Fair Housing Opportunity Area Maps. The range of resource designations indicates disparities within Healdsburg neighborhoods in terms of access to economic, educational, and environmental opportunities. AB 686 mandates analysis of segregation patterns in the Housing Element, referred to as Affirmatively Furthering Fair Housing (see Section #). Housing Element policies and programs will reduce the health and safety risks in Low and Moderate Resource areas, notably through access to safe and sanitary housing and the prioritization of these areas for improvements and services. While Affirmatively Furthering Fair Housing is a recurrent goal of the Housing Element, achieved through implementing its full range of goals and policies, the following specific policies are included.

Policies

Policy 6.1	Ensure compliance with fair housing laws and prohibit discrimination in
	housing by providing fair housing services that include public information,
	engagement, counseling, and investigation.

(Existing, Modified, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.2 Actively sanction discriminatory housing practices.

(Existing, Modified, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.3 Affirmatively further fair housing by facilitating deliberate action to address and combat disparities and enhance economic mobility, by fostering inclusive communities and preventing the perpetuation of existing patterns of segregation.

(New, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing



Policy 6.4	Ensure that affected residents have the opportunity to participate in decisions that impact their health. Facilitate the involvement of residents, businesses, and organizations in all aspects of the planning process, utilizing culturally appropriate approaches for public participation and involvement.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.5	Provide all informational documents, web-postings, and related services in English and Spanish, and conduct all outreach multilingually, with reasonable accommodation for people with disabilities.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.6	Focus affordable housing development in Higher-Resource areas well- served by public transportation, schools, retail, and other services.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.7	Improve public facilities and municipal services in existing Lower-Resource Areas where deficiencies are shown to exist.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing
Policy 6.8	Provide housing opportunities for all household income cohorts throughout Healdsburg while avoiding or mitigating displacement of existing residents.
	(New, AFFH)
	Implementing Program: HP-6 Affirmatively Furthering Fair Housing



Policy 6.9Provide high quality and equitable public services, including public
transportation, crime prevention, police protection, street lighting, street
cleaning, and recreational facilities and programs, throughout the City.

(New, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.10 Continue to limit regulatory and enforcement actions against tenants in deed-restricted and naturally-occurring affordable housing by providing adequate time or extensions to address violations unless there is an imminent threat to public health and safety.

(New, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.11 Continue to implement the City's Reasonable Accommodations Ordinance to ensure that all persons have access to housing of their choice, regardless of ability.

(Existing, Modified, AFFH)

Implementing Program: HP-6 Affirmatively Furthering Fair Housing

Policy 6.12 Ensure that the City's programs and policies continue to improve or eliminate the health disparities of residents in existing disadvantaged communities.

(New, AFFH)

Implementing Programs: HP-6 Affirmatively Furthering Fair Housing, HP-10 Environmental Quality



Goal 7. Achieve a high standard of energy efficiency, water conservation, and 'net-zero' energy and water usage throughout the City, including existing and new development.

This Goal addresses the critical need to assure that both existing and new development reduce and re-source energy supplies to renewable (nonfossil fuel) sources, reduce demand for potable water, and reduce aggregate carbon emissions to address climate change and improve environmental quality.

Policies

Policy 7.1 Expand existing City efforts and vigorously pursue new initiatives to increase water conservation and water supply capacity to both sustain supply for existing rate payers and provide capacity for new housing development.

(New)

Implementing Program: HP-9 Environmental Quality

Policy 7.2 Require energy-efficiency performance in new housing and other development that meets or exceeds minimum State building standards.

(Existing)

Implementing Program: HP-9 Environmental Quality

Policy 7.3 Expand reliance on renewable energy sources for City utilities including solar, geothermal, and cogeneration sources.

(New)

Implementing Program: HP-9 Environmental Quality

Policy 7.4 Provide public information and links to subsidy programs and vendors for energy efficiency improvements and on-site energy saving and production retrofitting options for existing homes.

(New)

Implementing Program: HP-9 Environmental Quality



Policy 7.5 Assist homeowners and businesses with conforming to water conservation measures through public information, workshops, access to needed appliances and equipment, and financing.

(New)

Implementing Program: HP-9 Environmental Quality (new funding may be required)

Policy 7.6 Expand the inventory of electric vehicle charging stations through public investment and requirements on private parking facilities.

(New)

Implementing Program: HP-9 Environmental Quality (New funding may be required)

 Policy 7.7
 Require energy-efficient site development and waste disposal practices.

 (Existing, Modified)

Implementing Program: HP-9 Environmental Quality

Policy 7.8 Include facilities for non-automobile transportation as a part of project approvals and plans, including pedestrian ways, access, and interconnections, on street and dedicated bikeways, and transit options.

(Existing, Modified)

Implementing Program: HP-9 Environmental Quality

Policy 7.9 Require the planting of drought tolerant street trees as a part of all residential development and parking projects and sustain and expand tree canopy in existing Lower-Resource neighborhoods more susceptible to extreme heat due to a lack of street trees.

(Existing, Modified)

Implementing Program: HP-9 Environmental Quality



Housing Programs

The Housing Element Goals and Policies will be implemented through a set of Housing Programs, including continuation of existing programs and related efforts by the City to preserve, improve, and expand housing opportunities in the City. <u>Collectively, the 6th Cycle Housing Programs not only</u> address RHNA, they also support housing production above-and-beyond RHNA, by reducing barriers and constraints and affirmatively furthering fair housing. The 6th Cycle programs have been consolidated into nine major programmatic efforts that incorporate and expand upon the 49 programs presented in the 5th Cycle Housing Element.

Program Implementation Timeline

The Housing Programs are each composed of specific activities and actions that taken as a whole will implement the 6th Cycle Housing ElementElement Update: and set the City up for the 7th Cycle as well. These implementing activities and actions fall into several categories including: 1) ongoing existing activities; 2) expanded or new activities; 3) new technical efforts supporting housing development; 4) and 4) new or amended plans and regulations. Program implementation, generally, is and will be ongoing but implementation of new programs will be accelerated to earlier in the Cycle, so that there is an opportunity to monitor progress and make changes to Programs as may be appropriate.

Housing Program 1 – Housing Administration

The City Council has made access to healthy and safe housing for all Healdsburg residents a high priority. To ensure the housing needs of the community are being met, the City has created and funded a Housing Department that administers the City's housing programs and development efforts, including those below. The City will continue to provide the following under Housing Program 1:

- <u>Sustain Partnerships with Other Agencies</u>. During the 5th Cycle, the City strengthened and formed strategic partnerships with experienced housing service providers including Reach for Home, formerly North Sonoma County Services (NSCS), Housing Land Trust of Sonoma County, Fair Housing Advocates of Sonoma County, Corazón Healdsburg, and others. In partnership, these, and other, service providers assist the City in ensuring residents have direct access to:
 - Financial assistance for low-income tenants at risk of displacement,
 - Fair housing services for tenants and landlords,
 - First-time homebuyer assistance for low-income and moderate-income families, and
 - Emergency and transitional housing services.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing partnerships and seek new partnerships as may be appropriate.

2) <u>Continue to Assist Affordable Housing Developers</u>. Efforts will be continued to publicize and provide financial and procedural assistance to affordable housing through land donations and long-term leases, the ongoing fee-deferral program, subsidies for City fees and on- and off-site improvements, loans, and other forms of assistance. Procedural



assistance will include publicizing and assisting with available

incentives and housing programs, such as the density bonus ordinance, small subdivision ordinance, and Growth Management Ordinance provisions and procedures.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing <u>effortefforts</u> to assist and provide local subsidy funding to affordable housing developers <u>on a project-by-</u> <u>project basis as individual affordable housing projects are proposed, approved, and</u> <u>supported by the City, assist 100% of active project proposers citywide in their efforts to</u> <u>secure State and/or Federal funding at least annually throughout the planning cycle.</u>

3) <u>Continue to Administer Fair Housing Programs</u>. The City's ongoing efforts to implement fair housing laws will need to be expanded to meet the full requirements of AB-686. A more active and expansive effort will be required demanding additional staff time. Housing Department staff will produce a comprehensive AFFH plan, that will include the actionable programs to mitigate the Contributing Factors identified within the Fair Housing Assessment, summarized in Section 1 and further detailed in the Technical Background Report.

<u>Timeline category and objective</u>: Ongoing activity; expand existing <u>effortstaff efforts</u> beginning in 2023 by creating and adopting an AFFH Plan by <u>JuneDecember</u> 2023<u> and</u> proceeding with implementation immediately thereafter. Annual accomplishments will be documented in each Annual Progress Report.

4) Expand Affordable Housing Monitoring Program. The existing and increasing inventory of affordable housing will require monitoring, typically in cooperation with the developers and owners of the individual affordable housing projects. The objective of this program is to ensure that households continue to qualify for price-restricted rents, consistent with HCD income limits, and that other covenants and obligations are being met.

<u>Timeline category and objective</u>: Ongoing activity; expand existing effort beginning in 2023 to encompass new affordable units coming on-line <u>during the 6th Cycle; complete</u> <u>on-site monitoring for all City-funded projects; expand monitoring services to include</u> <u>entrance and exit surveys to understand need of those served by affordable housing</u>.

5) <u>Prepare Annual Housing Report</u>. Review and report annually on the implementation of Housing Element programs for the prior calendar year and present the annual report to the City Council at a public hearing before submitting the annual report to HCD and the Office of Planning and Research (OPR).

<u>Timeline category and objective</u>: Ongoing activity; annual reports <u>will be</u> prepared by April 1, 2023 through 2031 <u>documenting progress towards meeting RHNA and other 6th</u> <u>Cycle housing policies and programs</u>.

6) <u>Sustain and Expand Financial Resources</u>.Sustain and Expand Financial Resources. The <u>City currently relies upon a variety of funding sources in support of affordable housing</u> <u>development including an allocation of the City's Transient Occupancy Tax, negotiated</u>

agreements with developers and Inclusionary Housing Ordinance in lieu fees, and various grant program awards. In addition to these sources the City will continue participation in the Joint Powers Authority with Sonoma County and other Sonoma County jurisdictions to further City's eligibility for traditional State and Federal funding (e.g., CDBG and HOME programs). This effort) and new programs such as California SB-1 Sustainable Communities Grants, the Strategic Growth Council and HCD Sustainable Communities Programs and HCD's Permanent Local Housing Allocation, and regional funding programs offered by ABAG/MTCThese efforts will require applying for regional, State, and Federal fundinggrants for affordable housing, providing documentation as needed in support of project applications for State and Federal financial assistance. Continuing prior efforts, the City will continue to evaluate potential new local funding sources, such as JPA and 501(c) (3) bonds for acquisition and new construction and will implement this model in the first two years of the 6th Cycle.

<u>Timeline category and objective</u>: Ongoing activity; expand existing effort beginning in 2023, to identify and establish additional affordable housing funding sources.



; local funding program implemented by April 2025.

7) <u>Continue to support HEWG</u>. Continue to engage and support the Housing Element Working Group (HEWG) or other successor community focus groups in Housing Element implementation efforts. The HEWG was convened as a public advisory body in support of the 6th Cycle Housing Element update but is being extended by the City Council to serve as a resource to advance policies, implement programs, and support broader community engagement efforts. Specific efforts identified include consideration of options for amending the Growth Management Ordinance, evaluating development capacity and how planning and regulatory measures can increase housing development capacity, strategies for expanding 'middle' housing, expanding funding sources, and considering priorities for new area and specific plans.

<u>Timeline category and objective</u>: Ongoing activity; <u>at least once per calendar year, provide</u> <u>updates to the City Council and seek Council direction on policy;</u> continue existing effort as directed by the City Council, continuing in 2023 until the directives from the City Council are completed during the 6th Cycle.

8) <u>Continue to Advocate for Affordable Housing</u>. The State Legislature remains very active with its housing agenda. The Housing Department will continue to advocate to the State and Federal governments to provide additional financial resources for affordable housing. The City will continue to include its housing related advocacy platform in its Legislative Agenda which is adopted every two years.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing advocacy with annual review of proposed State legislation provided to City Council by June of each year, biannual consideration of amendments to the City's Legislative Agenda, and funding advocacy (e.g. public comment at State allocation hearings) conducted as warranted by local funding needs for specific project(s), the City, or the County of Sonoma.

9) <u>Continue to act as Redevelopment Successor Agency</u>. While most of the assets of the Successor Agency and Housing Successor Agency have been utilized, there are ongoing responsibilities and obligations of the former Redevelopment Agency. The Housing Department will continue to fulfill this role.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing Successor Agency functions until such time as all related obligations are met and properties disposed off.



divested and/or developed.

10) <u>Pursue Prohousing Designation.</u> Through addressing constraints to development and fair housing opportunities, the City will strive to achieve and maintain the State's Prohousing Designation throughout the 6th Cycle. This designation will provide the City an advantage in applications for competitive funding sources, including the Affordable Housing & Sustainable Communities Program, Infill Infrastructure Grant, and a direct pool of Prohousing Incentive Pilot (PIP) funds available to designated communities. In collaboration with the Napa Sonoma Collaborative (or similar/successor organizations) and local nonprofit organizations, the City will analyze policies and programs needed to exceed the threshold for the Prohousing Designation program and apply in 2023.

<u>Timeline category and objective</u>: Ongoing activity; application submitted in December 2022, and Prohousing designation anticipated in 2023.

Responsibility :	Housing Director
Resources :	Additional staffing and financial resources will be needed
Funding:	General Fund, Housing Fund, and grant funding (as available)
Schedule Summary:	Continuing and expanded efforts initiated in 2023 as documented in the Annual Progress Reports; implementation timing of subprograms noted above.
<u>Geography:</u>	Citywide



Housing Program 2 – Preserving Existing Housing and Neighborhoods

As part of the overall Housing Strategy, preserving existing affordable and market-rate housing is a very high priority because sustaining this housing, both in quantity, quality, and affordability, is generally more cost-effective and less resource-intensive than creating new housing.

<u>Link to Quantified Objectives</u>: The following actions are targeted to result 'no net loss' of existing housing units and in a minimum of 61 units, all 'very low' and 'extremely low income,' to be rehabilitated; and 70 units, 'extremely low,' 'very low,' and 'low,' to be preserved as affordable units during the 6th Cycle.

 Acquire Multifamily Housing. Recognizing the relatively large stock of market-rate multifamily rental unitsbuildings, continue seeking opportunities to purchase and rehabilitate multifamily rental housing buildings to provide these housing units at prices affordable to households at a variety of income levels. The City will proactively monitor the availability of properties on the market and responsively coordinate with property owners interested in selling multifamily property. Single-family properties with capacity for redevelopment at greater intensity will be considered for conversion to multifamily or supportive housing on an opportunity basis.

<u>Timeline category and objective</u>: Ongoing activity; <u>provide 39 units affordable to Very</u> <u>Low-income households by the end of 2023 within the "Scattered Sites" project discussed</u> <u>in Section 3;</u> sustain existing opportunistic acquisition and rehabilitation actions <u>when</u> <u>housing rental buildings come onto the market or seek the City's assistance. Given history,</u> <u>two or three additional opportunities may occur during the 6th Cycle</u>.

2) <u>Ensure Replacement Housing</u>. Replace any housing units displaced due to a redevelopment project with equivalent housing units, as a condition of approval.

<u>Timeline category and objective</u>: Ongoing activity; assure continuing consistency with Government Code Section 65915 <u>requirements to replace any housing units displaced by</u> <u>development activity on a project-by-project basis; report such loss and replacement</u> on an annual basis beginning in April 2023.

3) <u>Continue to Enforce Mobile Home Park Space Rent Stabilization Ordinance</u>. Continue to enforce the terms of the Mobile Home Park Space Rent Stabilization ordinance (Municipal Code Chapter 2.56) and administer the procedures of the ordinance to ensure the continued preservation of affordability of mobile homes parks within the City.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing Rent Stabilization Ordinance.

4) <u>Continue to Restrict Non-Residential Use of Existing Houses</u>. Continue to enforce the terms of the City's prohibition of vacation home rentals (i.e., fewer than 30 days) in residential zoning districts, and conversions of homes to commercial use (offices, etc.).



<u>Timeline category and objective</u>: Ongoing activity; sustain existing prohibition of vacation home rentals.

5) <u>Measure and Consider Strategies to Mitigate Loss of Housing Stock to Second Homes</u>. As part of implementing this housing program, measure and track the number of <u>existing</u> second-home conversions and report <u>changes</u> annually as part of the Annual Housing Report, beginning in 2023. Identify and <u>considerpursue</u> actions for mitigating loss of housing to second homes<u>through the presentation of an action plan to City Council</u>.

<u>Timeline category and objective</u>: New technical effort and regulatory action; adopt actions <u>needed to mitigate the loss of housing to second home use including identification of</u> <u>needed funding source(s)</u> not later than end of year 2024.

6) <u>Continue to Reduce Wildfire Risk</u>. In collaboration with the City Fire Department, regional agencies, CalFire, and organized property owner groups, <u>and building upon existing efforts</u>, adopt and implement <u>additional programs and related investments</u> that reduce wildfire hazards, consistent with <u>the City's</u> General Plan Safety Element update.

<u>Timeline category and objective</u>: Ongoing inter-agency coordination and new plan and regulation; initiate and complete Safety Element Update addressing wildfire hazard reduction and reslience not later than June 2024.

Responsibility :	Housing Director, Housing Department, and Community Development Department
Resources:	Ongoing effort, non-residential use restrictions will require legal and technical support
Funding:	General Fund, Housing Fund, and new local funding
Schedule Summary:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above .
<u>Geography</u> :	Citywide; subprogram geography in relation to location of existing multifamily development, new housing development for replacement units, mobile home parks, and wildfire risk concentrated in the wildland-urban interface (WUI) along Healdsburg's eastern edge



Housing Program 3 – Sustaining and Expanding Housing Sites

The primary intent of the State Housing Law that requires adoption of Housing Elements by cities and counties is assuring adequate sites for a prescribed (through the Regional Housing Needs Allocation) amount of housing affordable to the full range of household income categories.

<u>Link to Quantified Objectives</u>: The following actions are targeted to result 'no net loss' of existing housing sites and in a minimum of new 50 'middle income' units to be built as second units on exiting housing lots during the 6th Cycle.

1) <u>Maintain Adequate Residential Sites to Assure "No Net Loss".</u> Monitor the supply of residential sites and related development projects to ensure that sufficient developable sites and units are available to meet the 6th Cycle RHNA requirement. Building upon the existing effort, maintain and expand a detailed listing of sites available for housing development and use this list to assure RHNA requirements are met and also to attract residential developers to the City. Also, assure 'No Net Loss' of residential units by disallowing or mitigating any loss of housing due to redevelopment of existing areas containing housing units.

<u>Timeline category and objective</u>: Ongoing activity; sustain existing Residential Sites and assure 'not net loss' as the result of their development<u>; potential changes to the Housing Element Sites</u> <u>Inventory reported in the APR by April 1 of each year through 2031</u>.

 Pursue Housing Site Acquisition/Land Banking. On an opportunityopportunistic basis, purchase sites or otherwise acquire sites with housing potential as part of efforts to partner with affordable housing developers and consider formation of aor participation in a local or regional Housing Trust and/or Community Development Corporation to facilitate such transactions.

<u>Timeline category and objective</u>: Expand existing activity; continue to identify potential housing sites opportunistically where City ownership would facilitate affordable housing production throughout the 6th Cycle; provide Council with action items regarding a Housing Trust and/or <u>Community Development Corporation by December 2025</u>.

3) Convert Hotels and Motels. As part of a long-term recovery response to COVID-19, support the acquisition of hotels and motels to be converted into housing units and made available for people experiencing homelessness at rents affordable to extremely lowincome households. Provide committed assistance (\$7.2 million in Project Homekey funds) for this conversion, and ensure that these units meet the requirements of Government Code 65583.1(c) for hotel, motel, or hostel conversion.

Timeline category and objective: Provide 22 units by 2023 within the "L&M" project discussed in Section 3.

3)4) Provide Public Information on ADUs, SB 9, and Other Opportunities and Incentives for Homeowners to Increase Housing Onsite. In addition to promoting ADUs, provide information about SB 9;(2021), which allows property owners to split a single-family lot into two lots, and AB 917 (2022), which allows the conversion of existing living space to up to two bedrooms without a

public hearing. The City will prepare and distribute informational brochures and update the City's website on the permitting procedures, requirements, and support available by 2024.

<u>Timeline category and objective</u>: New technical activity; as part of Housing Development Capacity Study identify parcels with potential for additional housing unit(s) and complete informational brochure and website information not later <u>thanthan</u> the end of 2024.

Responsibility :	Housing Director, Housing Department, and Community Development Department
Resources :	Ongoing effort
Funding:	General Fund and Housing Fund
Summary Schedule:	Continuing, as documented in the Annual Report on Housing Element; implementation timing of subprograms noted above.
<u>Geography:</u>	Citywide



Housing Program 4 – Expanding Housing Development Capacity

While the existing inventory of housing sites has been shown to be adequate to meet the 6th Cycle RHNA requirements, the City is committed to expanding development capacity to meet current and future housing needs. A range of opportunities exist for expanding housing development potential even within the confines of the City's Urban Growth Boundary (UGB).

<u>Link to Quantified Objectives</u>: The following actions are targeted to substantially expand the City's housing development capacity during the 6th Cycle, allowing construction of housing units over and above <u>RHNA</u>, and consistent with the overall Quantified Objective of 957 units and providing additional development capacity of at least 1,000970 units for future Housing Element Updates<u>New</u> <u>Construction</u>.

 <u>Conduct Development Capacity Study</u>. Conduct a 'development capacity and opportunity study' for the City that identifies existing housing development opportunities and visually demonstrates how zoning and other legislative and regulatory tools can unlock development opportunities.

<u>Timeline category and objective</u>: New technical activity; initiate and complete Housing Development Capacity Study by end of 2024.

- 2) Adopt Development Code Amendments. There are a variety of opportunities to amend the City's Land Use Code that can expand housing development capacity and reduce constraints, including increasing the maximum density of selected base zoning districts to 30 units (or more) per acre to better reflect the density needed for multifamily rental housing. While not required to meet the 6th Cycle RHNA, this effort can provide additional opportunities during this Planning Cycle and beyond.
 - Strengthen 'use-by-right' provisions of all zoning districts and limit use of conditional use permits; replacing them with ministerial objective design standards.
 - Review and update parking requirements for all residential districts.
 - Update the City's Density Bonus Ordinance to conform to current State Density Bonus Law and provide additional local bonus provisions to incentivize moderate and middle-income housing projects.
 - As an alternative to increasing maximum densities on selected parcels, create an workforce housing overlay zone or similar overlay district for areas suitable for higherdensity multifamily housing development.
 - Review existing minimum density standards in residential districts and increase these minimums to assure better utilization of development capacity, particularly within higher-resource areas.
 - Amend the City's Land Use Code to conform to current State development standards and approval procedures for accessory dwelling units (ADUs).

- Amend the City's Land Use Code to allow residential care facilities for 7 or more individuals with disabilities by right, subject to only objective, transparent criteria so as not to constrain the opportunity of large households and households containing people with disabilities.
- Prepare and adopt a code amendment to allow low barrier navigation centers by-right where required and to amend the standards for homeless shelters for consistency with State law. <u>As needed, amend parking requirements and management standards for</u> <u>emergency shelters pursuant to State law, including SB 2, AB 139, and Government</u> <u>Code 65583, subdivision (a)(4)(A).</u>
- The City's Land Use Code already allows transitional and supportive housing in the Single Family (R1) zoning district; however, the City will review and amend as needed to ensure consistency with State law.

<u>Timeline category and objective</u>: Amended regulation action; initiate code amendments by the end of 2023, and complete Development Code amendments by end of 2025.

3) <u>Rezone Existing Sites with Housing Potential</u>. Rezone properties to allow higher density housing where such development is compatible with surrounding uses.

<u>Timeline category and objective</u>: Ongoing and expanded regulation action; continue considering rezoning of individual sites suitable for higher density development and proceed with programmatic rezoning following adoption of amended Development Code in 2025.

- 4) <u>Prepare and Adopt Area Plans and/or Specific Plans</u>. Evaluate and prioritize preparation and implementation of Area Plans or Specific Plans for portions of the City where such planning can substantially add to the housing development capacity. These areas include:
 - Central Healdsburg Area
 - North Healdsburg Avenue Area
 - South Entry Area

As these plans are complex and require substantial policy, technical, review, and implementation efforts, schedule the completion of those plans selected in priority order.

<u>Timeline category and objective</u>: New planning and regulation action; select, initiate, and complete a minimum of one of the <u>identified</u> area plans by 2030.

5) <u>Pursue Development of 'Housing Opportunity Sites' through Partnership with Other</u> <u>Public or Private Entities</u>. Identify and evaluate potential sites (e.g., Foss Creek Community Center site, Healdsburg Hospital site, Station Area site, and other City-owned property) for potential development partnerships that focus on providing local employee housing. If feasible, civic functions (e.g., a community center, recreation facilities, libraries, etc.) that are adjacent to or incorporated as part of the site plan may enhance amenities.

<u>Timeline category and objective</u>: New planning and regulation action; select, pursue, and complete planning and regulations for a minimum of two opportunity sites by 2030.

Responsibility :	Community Development Department
Resources :	Substantial costs will be incurred to complete the technical, planning, and environmental review required to implement this Program
Funding	General Fund, Housing Fund, and land/developer-based sources
Summary Schedule:	Development Capacity Study, Code amendments completed during the 6th Cycle; rezoning and plans initiated during 6th Cycle; implementation timing of other subprograms noted above.
<u>Geography:</u>	Citywide; specific plan geographies as identified



Housing Program 5 – Developing <u>Housing</u> Affordable <u>to Very Low, Low,</u> <u>Moderate,</u> and Middle-Income HousingHouseholds

During the 5th Cycle, the City not only maintained sufficient sites and development capacity to achieve RHNA, the City focused on getting affordable units built and largely met the 5th Cycle RHNA requirements and the Quantified Objectives.

<u>Link to Quantified Objectives</u>: The following actions are targeted to assure construction of 429330 'extremely low, 'very low,' and 'low' income units; construction of 448640 'moderate' and 'above moderate; units and, as a part of these units, expand ADUs by a minimum of 106110 units and housing ownership opportunities to a minimum of 9498 local households.

 <u>Continue to Implement the Inclusionary Housing Ordinance (IHO).</u> Continue to implement the <u>recently amended IHO</u>, <u>which requires Moderate-</u> and <u>considerMiddle</u> <u>Income-units in for sale projects and Low- and Moderate-income units in rental projects</u> <u>and prepare and act upon any</u> revisions to the inclusionary housing requirements <u>thatas</u> <u>needed to further</u> incentivize middle-income units.

<u>Timeline category and objective</u>: Ongoing activity; develop, <u>consideract upon</u> and implement amendments to the Inclusionary Housing Ordinance by 2025.

2) <u>Manage Construction of Affordable Housing Development</u>. The development of price-restricted affordable housing projects requires considerable planning review, transactional support, and administrative effort. Fortunately, many of the projects that will be completed during the 6th Cycle have already been planned and funded, reducing this effort. However, there will be ongoing management efforts to ensure the projects are completed as expected. and new projects are supported. The City may contract with organizations or consulting firms that assist with construction management and administration of affordable housing projects and tenanting.

<u>Timeline category and objective</u>: Ongoing activity; assure that ongoing and additional affordable housing projects are efficiently and effectively managed throughout the 6th Cycle <u>by tracking units planned and units constructed per Housing Department staff</u> <u>person and monitoring ratios over time, using 2023 as a base year</u>.

3) Incentivize Affordable Accessory Dwelling Units. Create an affordable accessory dwelling unit incentive program to encourage property owners to deed-restrict secondary dwelling units as affordable rental housing for lower- or moderate-income households. The program will focus on lowering ADU costs though pre-approved plans, modular units, and financing programs. As part of this program, the City will complete an inventory and evaluation of ADU capacity and trends in the City, establish a monitoring program that documents ADUs created year-to-year, and ensure the long-term affordability is maintained in any ADUs where City financial support is offered.

<u>Timeline category and objective</u>: Ongoing and expanded activity; building upon current efforts, complete the ADU Incentive Program not later than end of year 2024. <u>It is expected</u>



that given the average number of permitted ADUs in the past five years, and relying on ABAG's "safe harbor" allowances, 110 ADU units will be created in the City during the 6th Cycle.

- 4) <u>Develop Moderate and Middle-Income Housing</u>. Creating middle-income housing <u>(up to 160% AMI)</u> is challenging due to the high costs of development, particularly in Healdsburg with its high median housing prices and high land cost. It is also the case that necessary price restrictions associated with public subsidies can deter market attractiveness of such homes. This program has the following elements:
 - Expand Affordable Housing Projects to include 'mixed-income' housing projects. Existing partnerships with affordable housing developers could be expanded to include 'mixed-income' units that would be affordable to middle-income households.
 - Utilize Land Trust Model. Expand cooperation with the Housing Land Trust of Sonoma County (or similar organizations) that use a land trust-based financing model to promote opportunities for ownership housing.
 - Employer-Provided Housing. Consider options for creating, in partnership with local employers, employer-provided or subsidized housing for local workers, including teachers, public safety employees, medical staff, etc.
 - Developing Subsidy Options. In most cases, substantial, local sources of funding and financial subsidies will be required to achieve middle-income housing objectives. There are a range of techniques used including 'silent second mortgages,' equity sharing agreements, lease-purchase options, etc., that can be explored and shaped to meet local circumstances.
 - Target Opportunity Sites for Middle-Income Housing. One or more of the Opportunity Sites that have been identified for affordable housing could be developed for middle-income housing, all or in part (mixed-income).

<u>Timeline category and objective</u>: New technical activity and related regulatory actions; integrate 'middle income' housing, including opportunities for ownership housing in the related Program implementation efforts; facilitate construction of a minimum of 50 middle income ownership housing units during the 6th Cycle (before 2030).

5) <u>Facilitate Streamlined Development</u>. The City will continue ongoing practices for priority processing and increase opportunities for streamlining the development process, including no- cost housing pre-application meetings with all relevant departments, and fast-tracked priority processing for ADUs and affordable housing developments. In addition, the City will develop a written <u>SB 35 (Gov. Code § 65913.4, as amended)</u> application process, including the pre-application and the procedure that will be used. This process will provide a streamlined ministerial approval process to qualified residential and mixed-use development projects: <u>under State laws including SB 9, SB 35</u> (Gov. Code § 65913.4, as amended), SB 330, and AB 2162. The written procedures and



checklists will be developed and made available on the City's website, and revised as additional laws modify or expand eligibility.

<u>Timeline category and objective</u>: Ongoing technical and regulatory activity; integrate 'streamlining' provisions in all planning and regulation actions and develop and adopt SB-35<u>standardized streamlined</u> application process not later than end of year 2023.

Responsibility :	Housing Director, Housing Department and Community Development Department
Resources:	Ongoing effort
Funding:	General Fund, Housing Fund
Summary Schedule:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above.
<u>Geography:</u>	Citywide



Housing Program 6 – Affirmatively Furthering Fair Housing

The City has an ongoing fair housing program that will be expanded to meet the requirements of AB-686 and other new State laws. Key to this expansion is taking a more proactive approach to fair housing administration and addressing the full range of fair housing policy and statutory requirements.

1) <u>Refer Fair Housing Complaints</u>. Continue to refer fair housing complaints to the State Department of Fair Employment and Housing, Fair Housing Advocates of Northern California, and legal services.

<u>Timeline category and objective</u>: Ongoing technical activity; Respond to complaints within 48 hours; Continue effort throughout the 6th Cycle.

2) <u>Provide Non-Discrimination Clause and Mandate Fair Housing Practices</u>. Provide nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with City subsidy or through the IHO and mandate the implementation of fair housing practices in contracts with affordable housing developers.

<u>Timeline category and objective</u>: Ongoing technical activity; Continue effort throughout the 6^{th} Cycle.

3) <u>Disseminate Fair Housing Information</u>. Create a landing page on City's website and disseminate fair housing information through multilingual posters, brochures, forms, and landlord/tenant handbooks from the State Department of Fair Employment and Housing and Fair Housing Advocates of Northern California in public locations and provide links on the City's website.

<u>Timeline category and objective</u>: Expanded technical activity; develop and disseminate fair housing information to assure citywide reach, <u>beginning indeveloped by December</u> 2023 and continuing with annual review for updates to fair housing law througout the 6th Cycle.

4) <u>Conduct Spanish Language Outreach</u>. Conduct outreach efforts for the City's affordable housing programs in Spanish as well as English and publicize the programs through organizations representing Spanish-speaking residents. Additionally, seek bilingual staff to support the Housing Department in outreach.

<u>Timeline category and objective</u>: Expanded technical activity; bilingual staff in place, continue translation of policy and program documents througout the 6th Cycle.

5) <u>Provide Utility Discounts for Lower-Income Households</u>. Continue to discount the electric, water and sewer utility and storm drainage maintenance charges to lower-income households and affordable residential projects.

<u>Timeline category and objective</u>: Ongoing technical activity; continue existing discounted rates througout the 6th Cycle.

6) <u>Conduct Code Enforcement</u>. Continue to investigate complaints and take action concerning Code Enforcement violations to encourage rehabilitation of substandard residential properties by homeowners and landlords and improve overall housing quality and conditions in the City.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue existing code enforcement efforts througout the 6^{th} Cycle.

7) Improve Infrastructure in Lower Resource Areas. Continue street, sidewalk, recreation and other infrastructure improvements and maintenance. Consistent with the City's Capital Improvement Program, prioritize improvements in low- and moderate-income neighborhoods of the City and in proximity to new affordable housing developments.

<u>Timeline category and objective</u>: Ongoing technical activity; continue infrastructure improvements in Low Resource Areas througout the 6th Cyclethroughout the 6th Cycle; pursue grant funding sources including the Infill Infrastructure Grant (IIG) program on an annual basis, and apply as project needs align with funding criteria.

Responsibility :	Housing Director, Community Development Department
Resources:	Expansion of City AFFH efforts will require additional staffing and support from collaborating agencies
Funding:	General Fund and Housing Fund
Summary Schedule:	Service expansion to begin in FY 22-23; implementation timing of subprograms noted above.
<u>Geography</u> :	<u>Citywide; emphasis in lower-resource areas, low-income households</u> <u>throughout all resource areas, and direct outreach to Spanish-language</u> <u>households</u>



Housing Program 7 – Removing Housing Constraints

Both governmental and non-governmental constraints limit housing development potential, increase costs, and inhibit the development of housing at all income levels. This Program seeks to remove these constraints through regulatory reform, infrastructure investments, and broadening the sources of funding available to remove constraints and incentivize housing production.

<u>Link to Quantified Objectives</u>: The following actions are targeted to expand the number of marketrate housing units above the existing 30 unit per year limit, amending fees to be proportional to unit size, and to reduce costs and risks related to environmental review.

 <u>Update and Reform Development Impact Fees and Charges</u>. Review and update City Development Impact Fees and Connection Charges. Conduct economic analysis to determine the burden that such fees place on new development and seek ways, consistent with AB-602, to reduce the burden, particularly on affordable and middleincome housing development while at the same time assuring adequate funding for needed infrastructure. Ensure transparent development impact fees are available on the <u>City's website</u>.

<u>Timeline category and objective</u>: New <u>relatoryregulatory</u> action; update City development impact fees and connection charges<u>, and publish fee schedules on the City's website</u> to be compliant with AB-602 and to align with other Programs by the end of year 2023.

2) Promote and Utilize Exemptions to the Growth Management Ordinance. The GMO, as currently configured, exempts affordable housing units and allows construction of rental housing above its 30 unit per year limit on market rate housing. In addition, encourage housing developments of ten or fewer units, as they are exempt from the GMO under the regulatory provisions of SB 10 and provide a flexible option for amending the City's high propensity of R1 zoning.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to educate the community about how GMO exemptions have been and can be utilized througout the 6th Cycle; present SB 10 options to City Council concurrent with Development Capacity Study completed by the end of 2024 (see Program 4.1), and adopt any resulting ordinance prior to SB 10 sunset on January 1, 2029.

3) Evaluate Potential Amendments to the Growth Management Ordinance. Present amendments to the GMO to add further exemptions or increase the development cap above the existing 30 units per year for market-rate residential. The City will evaluate and consider specific amendments that further reduce constraints imposed by the GMO and thus promote housing availability and affordability.

<u>Timeline category and objective</u>: Amended regulation action; evaluate and select amendments to the existing GMO resulting in an increase in annual market rate units allocated by end of year 2026; present options to City Council for ballot measures amending/eliminating the GMO in the 2024, 2026, 2028, and 2030 primary and general



elections by February of each year unless rendered inactionable by a prior election; on an ongoing basis, monitor and present any legislative proposals to modify the Housing Accountability Act or other State law which may alter or nullify the provisions of the GMO.

4) Evaluate Infrastructure Readiness and Capacity. Conduct evaluation of roads, utilities, and other infrastructure needed to support expanded development capacity, as proposed in this Housing Element Update, and add required projects to the City's long-range capital improvement plans or the Capital Improvement Program.

<u>Timeline category and objective</u>: New technical activity; concurrent with the preparation of the the Developmet Capacity Study, evaluate related needs for infrastructure improvements and add such improvements to the City's Capital Improvement Program, impact fee project lists, and project =or plan related infrastructure improvement programs.

5) Prepare Program-Level Environmental Impact Reports. Develop procedures for preparing 'program environmental impact reports' (EIRs). Such program EIRs can reduce the time and expense of preparing project-level EIRs by limiting the scope of environmental review on individual projects covered by the program EIR. Program EIRs are suitable where one large project, such as an area or specific plan, can be characterized geographically. The project may involve a chain of subsequent individual projects carried out under the same authorizing statutory or regulatory authority which may have generally similar environmental effects, and which can be pre-mitigated in similar comprehensive ways.

<u>Timeline category and objective</u>: New technical and regulatory activity; concurrent with the preparation of the the Development Code amendments, rezoning, and development of specific or areas plans prepare program EIRs that minimize the need for project-specific environmental review and EIR preparation.

Responsibility :	Community Development Department, Public Works and Utility Departments, City Council
Resources:	Additional staff or technical consultant effort required along with potentially substantial capital improvements to improve development readiness
Funding:	General Fund, Road Fund, Utility Funds, and new Citywide sources
Summary Schedule:	Continuing, as documented in the Annual Report on Housing Element; implementation timing of subprograms noted above.
<u>Geography:</u>	Citywide; GMO amendments may designate specific areas for exemption; program-level EIRs on basis of project or specific plan, as applicable



Housing Program 8 – Extremely Low-Income, Homeless, and Special Needs Housing Program

Diligent efforts are required to meet the needs of extremely low-income, homeless, and special needs individuals and households. The 6th Cycle Quantified Objectives include 386 low and very-low income units exceeding the City's 6th Cycle RHNA requirements. The extremely low, homeless, and special needs require special effort. The City has created extremely low income units by identifying opportunities to acquire and renovate market-rate housing and deed restrict, deepening subsidies to affordable housing developers and other methods. Additionally, The City, in cooperation with County and regional agencies, has an active countywide Program that can be expanded as technical and financial resources are made available.

<u>Link to Quantified Objectives</u>: The following actions are targeted to assuring that the 6375 'extremely low' units are developed in the 6th Cycle; that all affordable price restricted units conform to Universal Design Standards; and that additional transitional housing units are developed as opportunities emerge.

1) <u>Develop Extremely Low-Income Housing</u>. Promote housing for extremely low-income households by encouraging and supporting funding applications for developers of permanent supportive housing, and by continuing to provide for housing with supportive services, single-room occupancy housing, and shared housing in the Zoning Ordinance.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to integrate Extremely Low Income Housing in affordable housing projects and development of supportive housing projects .to support the development of at least 83 extremely-low <u>income units over the planning cycle as required by RHNA.</u>

 Provide Disabled-Access Units. Enforce Building Code requirements for the inclusion of accessible units in residential development projects that are subject to such requirements.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue efforts to create accessible and universal design features in affordable housing projects, special needs housing, and supportive housing projects.

3) <u>Provide Emergency and Transitional Housing</u>. Work with appropriate agencies and groups to provide temporary and transitional housing and support services for the homeless in Healdsburg.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to provide temporary and transitional housing and support services in Healdsburg.

4) Provide Assistance to Female Head of Households. Based on identified needs of female headheads of households (see Appendix C), and specifically single female heads of households with children, conduct targeted outreach regarding the City's housing programs and opportunities, and work to incorporate on-site amenities in new residential developments that benefit this special needs of female head of households, where



appropriate, in the Housing Programs.population (e.g., in-unit laundry, onsite childcare, outdoor play structures, etc.).

<u>Timeline category and objective</u>: New technical and regulatory activity; assess the needs of female head-of-households in Healdsburg, integrate these needs into Program implementation activities and actions and; conduct outreach to daycares and preschools (using City's business license database)</u> to inform female heads of household regarding available programs and housing opportunities beginning in 2023.

5) <u>Provide Farmworker Housing</u>. Work with appropriate agencies and groups to provide housing and support services for farmworkers in Healdsburg. Evaluate the community's farmworker population including farmworker jobs within the community to identify the need for farmworker housing by type and size and establish outreach to farmworker employers to match potential tenants to housing opportunities. The City will amend the City's Land Use Code, as applicable, to permit employee housing of up to 36 beds or 12 units as an agricultural use.

<u>Timeline category and objective</u>: New technical activity; in cooperation with the County, other public agencies and community-based organizations conduct evaluation of local farmworkers, to be completed not later than 2024 and provide farmworker housing needs in affordable and opportunity site projects; City participating in Association of Bay Area Governments (ABAG) farmworker housing cohort commencing in February 2023 to facilitate the identification of action(s) to bring to City Council by February 2024; support applications for the project-based Joe Serna, Jr. Farmworker Housing Grant (FHWG) Program as eligibility opens and local projects qualify for farmworker housing financing.

6) <u>Publicize Senior Housing Resources</u>. Provide information to the public on resources available to seniors, including local subsidized senior housing, senior housing providers, and fair housing assistance.

<u>Timeline category and objective</u>: Expanded technical activity; continue efforts to inform the City's senior population regarding housing resources and opportunities in Healdsburg:; conduct outreach on housing-related initiatives in coordination with the <u>City's Senior Advisory Committee and Healdsburg Senior Center at least annually.</u>

7) <u>Participate in Countywide Homeless Survey</u>. Participate in annual comprehensive surveys of the County's homeless population.

<u>Timeline category and objective</u>: Ongoing technical activity; continue efforts to cooperate with the County in <u>funding and</u> conducting homeless surveys and outreach efforts including the Sonoma County point-in-time count conducted each February.

8) <u>Implement Countywide Homeless Plan</u>. Participate in the Sonoma County Continuum of Care Strategic Planning process and continue to implement the strategies outlined in the Northern Sonoma County Homelessness Plan.

<u>Timeline category and objective</u>: Ongoing technical and regulatory activity; continue implementation efforts for the Countywide Homeless Plan <u>including</u> <u>Housing Department participation on the countywide Continuum of Care Board</u>.

9) Develop Housing for Persons with Disabilities and Promote Universal Design Guidelines. Reach out annually to developers of supportive housing to encourage development of projects targeted to persons with disabilities, including developmental disabilities. Support applications for County, State, and Federal funding for housing construction and rehabilitation for persons with disabilities, including developmental disabilities. Promote Universal Design guidelines to maximize the number of units that are accessible to persons with disabilities.

<u>Timeline category and objective</u>: New regulatory action; <u>require universal design quotas</u> <u>pursuant to ADA and State standards in new development agreements by December</u> <u>2023;</u> assemble, promote and where appropriate regulate to implement <u>provide action</u> <u>items to City Council on implementation of</u> Universal Design Guidelines beginning in 2023<u>by April 2026</u>.

10) <u>Coordinate with the North Bay Regional Center</u>. Work with the North Bay Regional Center to implement an outreach program informing residents of the housing and services available for persons with developmental disabilities. Make information available on the City website.

<u>Timeline category and objective</u>: Expanded technical activity; in cooperation with the North Bay Regional Center, implement an outreach program not later than <u>December</u> 2024.

11) <u>Provide Incentives for Disabled Access</u>. Adopt incentives for accessory dwelling units that are designed to be accessible for people with disabilities. Incentives may include, but are not limited to: universal design, first floor bedroom/bathroom configurations, reduced setbacks, and/or reduced fees.

<u>Timeline category and objective</u>: Expanded regulatory activity; develop incentives to homeowners building ADUs to include Universal Design and other accessibility features in ADUs, create incentive program by 2024. The City will make its reasonable accommodation form available and easily accessible on its website by December 2023.

12) <u>Allow Employee Housing</u>. Amend the Zoning Ordinance to allow employee housing for six or fewer employees as a permitted use in the City's Mixed Use and Office zones to comply with California Health and Safety Code 17000, et seq.

<u>Timeline category and objective</u>: Expanded planning regulatory action; as part of Development Code amendments and opportunity site identification and develoment<u>development</u>, allow employee housing in Mixed Use and Office zoning districts<u>- as part of changes to Development Code completed by December 2024.</u>



13) <u>Eliminate Constraints to Emergency Shelters</u>. Review and amend parking standards for emergency shelters to ensure compliance with SB 2 and mitigate potential constraints to the development of emergency shelters. As necessary, the City will conduct outreach to relevant stakeholders such as service providers.

<u>Timeline category and objective</u>: Expanded regulatory action; review and make regulatory changes to Develoment Code by <u>December</u> 2024.

Responsibility :	Housing Director, Housing Department, and Community Development Department
Resources:	Continuation of existing efforts
Funding:	General Fund, Housing Fund, and Grants
Summary Schedule:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above.
<u>Geography</u> :	Citywide and regional; farmworker housing to provide support to residents/workers in greater Healdsburg area, potentially beyond City limits; regional coordination with homeless services providers conducted on countywide basis with emphasis on Northern Sonoma County



Housing Program 9 – Environmental Quality and Conservation Program

This Program encompasses continuing efforts to assure a high level of environmental quality in the City while recognizing and respecting the costs that may be imposed as part of this effort.

1) <u>Implement CalGreen Program</u>. Ensure that the designs and construction practices for new residences and additions to existing residences comply with the California Green Building Standards Code.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue application of California Green Building Standards Code.

2) <u>Provide Solar Access</u>. Include an evaluation of consistency with Subdivision Map Act Section 66473.1 in staff reports to ensure residential subdivision applications provide for solar access.

<u>Timeline category and objective</u>: Ongoing regulatory activity; continue requiremets<u>requirements</u> for solar access in all residential projects.

3) <u>Provide and Publicize Energy Audit Program</u>. Continue to provide and publicize the Energy Audit Program services to homeowners and landlords.

<u>Timeline category and objective</u>: Ongoing technical activity; continue to provide and publicize the City's Energy Audit Program: <u>with information available on the City's website by December 2025;</u> <u>utilize program in at least two affordable housing developments by December 2023.</u>

4) Provide and Publicize Energy Efficiency Rebate and Weatherization Programs. Continue to publicize and administer State rebates for energy-efficient lighting fixtures and light bulbs, electric water heaters, air conditioners, heat pumps, appliances and photovoltaic systems, water storage, greywater systems, and weatherization of existing homes.

<u>Timeline category and objective</u>: Ongoing technical activity; continue to provide and publicize the City's Energy Efficiency Rebate and Weatherization Programs<u>: with information available on the City's website by December 2025; utilize program in at least two affordable housing developments by December 2023.</u>

5) <u>Construct Pedestrian and Bicycle Facilities</u>. Include projects in the annual Capital Improvement Program and apply annually for CDBG funding to support projects that provide safe walking and bicycling facilities between housing and commercial, educational, and transit destinations.

<u>Timeline category and objective</u>: Expanded technical and regulatory action; continue construction of pedestrian and bicycle facilities in the City as part of project development and the City's Capital Improvement Program, incrementally during the 6th Cycle.



Responsibility :	Community Development Department, Public Works
Resources:	Continuation of existing efforts
Funding:	General Fund and Housing Fund
Summary Schedule:	Continuing, as documented in the Annual Progress Report; implementation timing of subprograms noted above.
<u>Geography</u> :	Citywide; pedestrian and bicycle facilities in relation to new housing projects



Quantified Objectives

The Housing Element is required by State statute to include 'quantified objectives' that estimate and set targets for the number of units likely to be constructed, rehabilitated, and conserved/preserved by income level during the planning period. Beyond addressing RHNA site capacity requirements, quantified objectives can include targets for actual construction of housing units, specifying the types of housing units, objectives for preserving and conserving existing affordable housing units, and objectives for meeting other housing needs. The quantified objectives do not represent a ceiling, but rather set numerical objectives for the City to achieve during the 6th Cycle.

Healdsburg has set forth Quantified Objectives that exceed its RHNA, as shown on **Table 3**.

Income Categrory	New Construction [1]	Rehabilitation [2]	Conservation/ Preservation [3]	Total
Extremely Low	21	22	20	63
Very Low	130	39	25	194
Low	148		25	173
Moderate	122			122
Above Moderate	536		_	536
lotal	957	61	70	1,088

Table 3: Summary of Quantified Objectives

[1] New construction includes pending, approved, and permitted units (801 units), projected ADUs (106 units), and aboveand-beyond objectives (50 units) for middle-income ownership housing, and small-lot infill and second housing units.

[2] Rehabilitation includes the L&M Village (22 units) and the Scattered Sites Project (39 units).

[3] Conservation/Preservation includes conserving 70 existing, affordable mobile home units in the City that are not part of the City's RHNA strategy but are included as a Quantified Objective.

Sources: City of Healdsburg; ABAG.



Income Categrory	New Construction [1]	Rehabilitation [2]	Conservation/ Preservation [3]	Total
Extremely Low	33	22	20	75
Very Low	135	39	25	199
Low	162		25	187
Moderate	76			76
Above Moderate	564			564
Total	970	61	70	1,101

[1] New construction includes pending, approved, and permitted units (810 units), projected ADUs (110 units), and above-and-beyond objectives (50 units) for middle-income ownership housing, and small-lot infill and second housing units.
[2] Rehabilitation includes the L&M Village (22 units) and the Scattered Sites Project (39 units).

[3] Conservation/Preservation includes conserving 70 existing, affordable mobile home units in the City that are not part of the City's RHNA strategy but are included as a Quantified Objective.

Sources: City of Healdsburg; ABAG.

Objective 1 – Maintain Housing Sites

Maintain adequate sites and development capacity documented in this Housing Element Update as necessary to accommodate, at a minimum, Healdsburg's RHNA throughout the Planning Period, including site capacity for 190 extremely-low and very low-income units, 109 low-income units, 49 moderate-income units, and 128 above moderate-income units for a total of 476 units.

- The Sites Analysis (see Section 3) documents that sites necessary to meet the RHNA presently exist in the City and, moreover, are largely already in the development pipeline. This favorable situation reflects the earlier efforts by the City to secure housing sites and also process several large-scale development projects.
- The Housing Programs that support this Objective include Housing Program 3 Sustaining and Expanding Housing SitesHousing Program 3 -- Sustaining and Expanding Housing Sites, in recognizing that housing sites to meet the 6th Cycle RHNA requirements are secure, entitled, or under construction focuses on assuring 'no net loss' of sites, further efforts to secure future housing sites, and expanding Program 4 room 4 Expanding Housing Development CapacityHousing Program 4 Expanding Housing Development CapacityHousing Program 4 Expanding Housing Development of selected opportunity sites.

Objective 2 – Construct New Housing Units to Exceed RHNA

Construct the number of units equaling or exceeding the quantities by income group specified in the City's RHNA, as assigned to the City by the Association of Bay Area Governments.



The quantified objectives for housing construction encompass the new units that will be constructed in the City of Healdsburg by the City through cooperation with non-profit developer partners, by market-rate housing developers, and by homeowners who construct new ADUs or other secondary units. On average, approximately <u>120121</u> units are needed in each of the eight years of the Planning Period to achieve the <u>957970</u>-unit Objective for New Construction, shown in **Table 3<u>Table 3</u>**.

There are currently 5,436 existing housing units in Healdsburg (Census, ACS 2021), and the construction of 957 new units will increase the City's current housing inventory by 17.6 percent.

 Housing Programs that support this Quantified Objective include Housing Program 5 -Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income HouseholdsHousing Program 5 - Affordable and Middle-Income Housing Development, which among other efforts focuses upon managing housing construction projects in the 'development pipeline' to assure that overall production and price-restricted affordable units are completed as planned and approved.

Objective 3 – Permit and incentivize a diversity of housing types and development strategies Meeting the housing construction objective shown in **Table 3Table 3** will involve construction of a variety of housing types meeting the needs of each of the income groups as reflected in the RHNA requirement. However, in addition to meeting the RHNA numerical requirements, the City envisions 'going beyond' the RHNA, particularly to meet the pressing housing needs of moderate and middleincome households. **Table 4Table 4** shows housing quantitative objectives by housing type totaling 957<u>970</u> units, which exceeds RHNA.

- Setting quantified objectives for these housing types and is in the spirit of the City's Housing Action Plan and provide the City with an important guideline and targets for future planning regulatory reform, rezonings and specific plans and individual housing project development. In addition to new housing units intended to meet the RHNA-based construction objectives, these housing types advance the City's goals to build more housing appropriate for the missing middle-income households.
- The Housing Programs that support this Quantitative Objective include Housing Program 4 Expanding Housing Development Capacity Housing Program 4 Expanding Housing Development Capacity which explicitly requires that development code amendments, plans, and City-sponsored projects all focus on creating a diversity of housing types serving the full range of income category households, and Housing Program 5 Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households Housing Program 5 Affordable and Middle-Income Housing Development, which comprises efforts to incentivize and subsidize needed affordable and middle-income household housing units.

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Table 4: New Construction by Housing Type

Housing Type	Income Group Targeted	Number of Units	Percentage Total Units	Annual Average	Housing Program Linkage
Price-restricted Multifamily Rental Units [1]	Primarily Low- and Very Low- Income Households	234<u>263</u>	24<u>27</u>%	29<u>33</u>	Housing Program 5 - Affordable and Middle-Income Housing Development
Market-rate Multifamily Rental Units (including senior housing) [2]	Middle Income Households (80% to 160% AMI)	473<u>449</u>	49<u>46</u>%	59<u>56</u>	Housing Program 5 - Affordable and Middle-Income Housing Development
Middle-income Ownership Housing [3]	Middle Income Households (80% to 160% AMI)	94<u>98</u>	10%	12	Housing Program 5 - Affordable and Middle-Income Housing Development
Accessory Dwelling Units [4]	Extremely Low, Very Low, Low, Moderate- Income Households	106 <u>110</u>	11%	13<u>14</u>	Housing Program 3 - Sustaining and Expanding Housing Sites
Small lot Infill and Second Housing Units [5] Total [6]	Middle Income Households (80% to 160% AMI)	50 957 970	5%	6 120 121	Housing Program 3 - Sustaining and Expanding Housing Sites

[1] Includes pending, approved, or permitted rental units affordable to lower-income households.

[2] Includes pending, approved, or permitted rental units affordable to Moderate-income and Above Moderate-income households.

[3] Includes pending, approved, or permitted ownership units affordable to Moderate-income and Above Moderate-income households.

[4] Includes ADUs credited towards RHNA.

[5] Reflects the City's above-and-beyond objective.

[6] Reflected total of Annual Average may not equal sum of numbers in column due to rounding.



Objective 4 – Conserve and Preserve Affordable Units

Conserve 70 existing affordable units and preserve affordability restrictions.

- This Quantified Objective includes a number of opportunities, including 1) conserving the 70 mobile homes protected by the City's Mobile Home Park Space Rent Stabilization Ordinance, which are important sources of non-deed-restricted affordable housing in the community, and 2) monitoring and extending, where feasible, the affordability restrictions of units at risk of converting to market rate during the eight-year planning period (2023-2031). There are not any units at risk of converting to market rate during the planning period, but the City will monitor closely.
- This Quantified Objective is supported by Housing Program 2 Preserving Existing Housing and NeighborhoodsHousing Program 2 -- Preserve Housing and Neighborhoods,, which focuses upon replacing any housing units lost due to commercial or institutional construction, maintaining restrictions on mobile home site rents, and restricting conversion of existing homes to commercial or lodging uses.

Objective 5 – Rehabilitate Existing and Newly-Acquired Units

Rehabilitate a minimum of 60 existing housing units during the Planning Period (on average, 7 or 8 units per year during the Planning Period) so that existing and newly acquired affordable units remain affordable and habitable.

- This Quantified Objective can be met in several ways, including 1) acquisition of existing market rate multifamily housing on an opportunistic basis; 2) agreements to make improvements to units remaining in private ownership with the condition of a price-restriction; and 3) acquisition and conversion of motel/hotel units. The City has a relatively large quantity of older multifamily units but fewer motel properties to consider
- Rehabilitation of existing or newly-acquired units can be an important way to expand provision of supportive and transitional housing. Housing the City's homeless and extremely low-income households is costly and challenging and generally requires special City sponsored projects created and maintained in cooperation with State programs and regional partners. The recently created project involving conversion of an older motel property to transitional housing (the L&M Village project) provides an example of how such units can be created.
- This Quantified Objective is supported by Housing Program 2 Preserving Existing Housing and NeighborhoodsHousing Program 2 -- Preserve Housing and Neighborhoods, which includes an effort to acquire additional existing multi-family residential properties for rehabilitation and offering as price-restricted housing, as well as Housing Program 8 Extremely Low-Income, Homeless, and Special Needs Housing ProgramHousing Program 8 Extremely Low-Income, Homeless, and Special Needs Housing ProgramHousing Program 8 Extremely Low-Income, Homeless, and Special Needs Housing ProgramHousing Program 8 focuses upon creating additional supportive and transitional housing units both as part of its low-income tax credit projects and special



projects, as exemplified by the recently completed conversion of the L&M Motel into transitional housing units administered by the City.

Actions to Affirmatively Further Fair Housing

The City of Healdsburg is committed to supporting fair housing rights and addressing fair housing issues. More specifically, the City is committed to implementing Government Code Section 8899.50(b), which requires the City to administer its programs and activities related to housing and community development in a manner which affirmatively furthers fair housing and take no action that is materially inconsistent with the City's obligation to affirmatively further fair housing. Additionally, in response to the fair housing analysis included in the Technical Background Report, the City has developed a set of actions to affirmatively further fair housing, as outlined in **Table 5.**



Action Area	Programs	Specific Commitment	Timeline	Geographic Targeting	2023-2031 Metrics
	Affordable housing production in high-resource areas	Over 70 <u>Nearly 80</u> % of lower income RHNA is located in high-resource areas.	2023- 2031	Focused on northern areas.	RHNA, Sites Inventory, APR
Housing Mobility	Improve infrastructure in lower-resource areas and near new affordable housing	Street, sidewalk, recreation infrastructure in low-resource areas; bike & pedestrian infrastructure inclusion in CIP, CDBG, and in conjunction with project development (see Programs 6.7, 9.5).	Ongoing	Citywide; emphasis on lower-resource areas, near new housing.	CIP, CDBG, project-based outcomes
	Housing land trust	Expand housing land trust model including partnership with Housing Land Trust of Sonoma County for low- and moderate- income homeownership (see Program 5.4).	Ongoing	Citywide	RHNA, Sites Inventory, APR
New	Zoning for a variety of housing types in R1 zone	City Council to review SB 10 ordinance, and potential for increased development capacity in R1 zone exempt from the GMO (see Program 7.2).	2024	Determined in 2024 Dev't Capacity Study.	Study/Action (2024)
Opportunities in Higher Opportunity Areas	Site acquisition & land banking	Pursue development of a Housing Trust and/or Community Development Corporation to expand opportunistic acquisition of sites for housing development and preservation (see Program 3.2).	Ongoing	Citywide; emphasis on higher resource areas.	RHNA, Sites Inventory, APR
Place-Based Strategies for Community Revitalization	Acquire multifamily housing	Building on the recent success of L&M Motel and Scattered Sites projects, the City will continue to pursue opportunities to purchase and rehabilitate multifamily	Ongoing	Citywide; throughout resource areas.	Housing Element Quantified Objectives

Table 5: Summary of Meaningful Actions to Affirmatively Further Fair Housing



		rentals to provide affordable units (see Program 2.1).			
	Streamlining affordable housing	Continue to utilize GMO exemption for affordable housing and facilitate streamlined development through an SB 35 standardized application on the City's website (see Program 5.5).	2024	Citywide; emphasis on higher resource areas.	Website
	Ensure replacement housing	Any units displaced due to redevelopment will be replaced with equivalent units as a condition of approval (see Program 2.2).	2023	Citywide; throughout resource areas.	RHNA, Sites Inventory, APR
Displacement	Prevent and mitigate loss of housing stock to non-residential uses	Vacation/investment homes continue to constrain housing supply, and the City will continue to address it through a moratorium on vacation rentals and a study to be conducted in 2024 (see Programs 2.4, 2.5).	Ongoing; 2024 action	Citywide; emphasis on Historic Core.	Study/Action (2024)
	Reduce wildfire risk	Continue inter-agency coordination and complete a Safety Element update by June 2024 to address hazard reduction and resilience strategies aided by new risk maps (see Program 2.6).	Ongoing; 2024 action	Citywide; emphasis on wildland-urban interface at eastern edge.	Safety Element (2024)
	Spanish language outreach and	Direct engagement with Hispanic community facilitated by expanded bilingual staff capacity (see Program 6.4).	Ongoing	Citywide	Staff Resources
Outreach and Enforcement	resources	Housing Element Update translated into Spanish	2022-23	Citywide	Website
	Enhanced availability of fair housing resources	Create an updated, dedicated webpage on the City's website with information on fair housing rights/resources (see Program 6.3).	2023	Citywide	Website

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	Reasonable accommodations form easily	2023	Citywide	Website
	accessible on website	2025	Citywide	Website



3. Housing Sites Identification and Analysis

Consistent with Government Code §65583(a)(3), a major component of the Housing Element is the identification of sites for future housing development and evaluation of the adequacy of these sites for fulfilling the City's fair share of regional housing needs, which is based on ABAG's Regional Housing Needs Assessment (RHNA).

Table 6: Healdsburg's 6th Cycle RHNA

Income Group	2023 - 2031 RHNA Allocation
Very Low	190
Low	109
Moderate	49
Above Moderate	<u>128</u>
Total	476

Sources: City of Healdsburg; ABAG.

Sites identified to address RHNA can include vacant sites zoned for residential use, vacant sites that allow residential development, and underutilized sites that are capable of being redeveloped to increase the number of residential units. These sites must have the realistic potential for new residential development The Planning Period is the time period between the due date for one housing element and the due date for the next housing element (Government Code §65588(f)(1)). ABAG's 6th Cycle Planning Period is January 15, 2023 to January 15, 2031.

The Projection Period is the time period for which the regional housing need is calculated (Government Code §65588(f)(2)). ABAG's 6th Cycle Projection Period is June 30, 2022 to December 31, 2030.

within the Housing Element planning period. Of particular relevance in Healdsburg, planned, approved, and pending residential units may be credited toward fulfilling the City's RHNA, as may a limited number of accessory dwelling units (ADU) and junior accessory dwelling units (JADU).

While the City plans to continue to aggressively pursue new housing opportunities throughout the City in the coming years, the City will meet its 6th Cycle RHNA through a combination of the methods listed below, which are summarized in **Table 7** and further described in **Appendix F** as well as the following narrative:

- A. Pending, approved, or permitted residential projects
- **B.** Acquisition of non-deed restricted units and conversion to 55-year deed restricted, affordable units
- C. Hotel, motel, or hostel conversion

C.D. Accessory dwelling unit (ADU) and junior accessory dwelling unit (JADU) development projections



This strategy means that this section is less focused on inventorying and analyzing potential opportunity sites and more focused on evaluating the

pending, approved, and permitted project sites <u>and the Alternative Sites</u> to ensure the City is conforming to the Affirmatively Furthering Fair Housing (AFFH) requirements and furthering AFFH objectives.

2023 - 2031 Income Group RHNA Allocation		Pending, Approved, or Permitted Units	Acquisition and Converted Units	Projected ADUs	Total Credits	% of RHNA
Lower						
Extremely Low	83	5	22	16	43	
Very Low	107	114	39	10	109	
Low	<u>109</u>	<u>116</u>	<u>0</u>	<u>32</u>	<u>148</u>	
Lower, Subtotal	299	235	61	64	360	120%
Moderate	49	65		32	97	198%
Above Moderate	<u>128</u>	<u>501</u>		10	<u>511</u>	399%
Total	476	801	61	106	968	203%

Table 7: 6th Cycle Strategy to Address RHNA

Sources: City of Healdsburg; ABAG.

Adequate Sites							
Income Group	2023 - 2031 RHNA Allocation	Pending, Approved, or Permitted Units	Market Rate Units Converted to Affordable	Hotel, Motel, or Hostel Conversion	Projected ADUs	Total Credits	% of RHNA
Lower							
Extremely Low	83	16	0	22	17	55	
Very Low	107	119	39	0	16	174	
Low	<u>109</u>	<u>129</u>	<u>0</u>	<u>0</u>	<u>33</u>	<u>162</u>	
Lower, Subtotal	299	264	39	22	66	391	131%
Moderate	49	43			33	76	155%
Above Moderate	<u>128</u>	<u>503</u>			11	<u>514</u>	402%
Total	476	810	39	22	110	981	206%

Sources: City of Healdsburg; ABAG.

A. Pending, Approved, or Permitted Projects

Housing units that are pending, approved, or permitted can be credited towards meeting the City's 6th Cycle RHNA. These units can count towards the RHNA based on affordability and unit count,



provided it can be demonstrated that the units can be built within the planning period. Affordability (income category) is based on the actual or

projected sales prices, rent levels, or other mechanisms establishing affordability of the units within the project, including affordability requirements achieved through the City's inclusionary housing program and/or project entitlement negotiations.

If pending, approved, or permitted projects fail to materialize as indicated due to economic conditions or other unpredictable factors, the City will ensure Housing Element programs are enhanced to incur no net loss of housing inventory. RHNA progress will be evaluated on an annual basis, and any required interventions will be initiated in any Annual Progress Report projecting less than 60 units cumulative average in the prior year(s), or 1/8 of Healdsburg's total RHNA.

Full details about each project, including the project's status and the basis for income level assumptions, are included in **Appendix F**. **Table 8** presents a summary of each project, and a brief description of each project follows.

While pending projects are located in both Low-resource areas and High-resource areas, the Housing Element includes programs to help address and ensure access and mobility for those units pending in Low-resource areas.

	Number of Units [1]					_			
Project Name	Total	ELI	VLI	LI	МІ	AMI	Resource Area Designation	Status	Anticipated Occupancy
111 Sawmill	208	0	24	16	1	167	Low	Under Construction	est. 2023
155 Dry Creek	58	5	52	0	1	0	High	Entitled	est. 2024
Saggio Hills	180		10	90	10	70	High	Entitled	est. 2025
3 Healdsburg	30	0	2	0	1	27	Low	Planning Commission Workshop Completed	est. 2025
Enso Village	221	0	20	0	10	191	High	Under Construction	est. 2024
Comstock	80	0	6	9	39	26	High	Plans Submitted	est. 2024
Farmstand	24	0	0	1	3	20	Low	Under Construction	2022 - 2026
TOTAL	801	5	114	116	65	501			

Table 8: Summary of Pending, Approved, or Permitted Projects, as of 73/1/20222023

[1] Project details are current as of July 1, 2022. For each of these projects, the actual number of units and/or the afforability distribution may vary slightly. Any updates will be reflected in the City's Annual Progress Reports.



		Nu	mber of U	Inits [1]			_		
Project Name	Total	ELI	VLI	LI	MI	AMI	Resource Area Designation	Status	Anticipated Occupancy
111 Sawmill	208	0	24	16	1	167	Low	Under Construction	est. 2023
155 Dry Creek	58	5	52	0	1	0	High	Entitled	est. 2024 or 2025
Saggio Hills	188	11	11	86	10	70	High	Entitled	est. 2025
3 Healdsburg	30	0	2	1	0	27	Low	Entitled	est. 2025
Enso Village	221	0	10	5	15	191	High	Under Construction	est. 2024
Comstock	77	0	20	20	13	24	High	Entitled	est. 2024
Farmstand	28	0	0	1	3	24	Low	Under Construction	2022 - 2026
TOTAL	810	16	119	129	43	503			

[1] Project details are current as of March 1, 2023. For each of these projects, the actual number of units and/or the afforability distribution may vary slightly. Any updates will be reflected in the City's Annual Progress Reports.

111 Sawmill

In 2017, Replay Resorts submitted an application to the City for the development of a mixed-use project named the Mill District, the final iteration of which includes construction of a 53-room hotel, approximately 15,000 square feet of commercial space, public improvements and open space, and up to 208 residential units, broken down by affordability level as follows:

- up to 137 multifamily condominium units, to be sold at "market rate" prices
- 30 multifamily residential units, to be sold or leased to persons whose household income is Above Moderate (i.e., between 120% and 160% of area median income)
- 41 affordable multifamily residential units, to be leased to incomequalifying households
 - 24 Very Low-income units
 - 16 Low-income units
 - 1 Moderate-income unit



The affordable units are being constructed by Eden Housing on a separate 0.86-acre parcel within the property. Eden Housing applied for and received consideration under the City's density bonus program as the project had 24 units of Very Lowincome units deed restricted for a 55-year period. The density of the affordable project is 48 units per acre. The affordable housing component of the Mill District is specified in the Affordable Housing Agreement (dated 2/11/2020) and the units are currently under construction. Occupancy is

On January 8, 2019, the City's Planning Commission approved Resolution No. 2019-02, approving Master Conditional Use Permit CUP 2017-12, the Developer's application for a density bonus, concessions, and waivers pursuant to Density Bonus Law, Historic Demolition Permit MISC 2017-01, and Heritage Tree Removal Permit HT 2017-02 for the Project and recommending that the City Council approve a tentative map and a development agreement for the project.

On March 11, 2019, the City Council adopted Resolution No. 42-2019, approving Tentative Map TM 2017-01 for the Project, and on April 1, 2019, adopted Ordinance No. 1184, approving the Development Agreement for the Project. The overall Project will be constructed in phases over a period of several years, and the affordable units are currently under construction.

155 Dry Creek

expected in 2023.

The project at 155 Dry Creek Road is a 58-unit affordable project under development by Burbank and subject to an Exclusive Negotiating Agreement (ENA) with the City. The project was entitled on 9/27/2022. The development and disposition agreement (DDA) is drafted and under review. The overall site is 3.52 acres, and the project is achieving a density of 16.5 units per acre. Five of the units are being provided to Reach for Home, a nonprofit homelessness and housing service provider, and will be available to households exiting from homelessness (Extremely Lowincome households). In total, the project will



provide five Extremely Low-income units, 52 Very Low-income units, and one Moderate-income unit. The Affordable Housing Agreement is pending, and occupancy is expected in 2024<u>or 2025</u>.

Saggio Hills

In March 2011, the City of Healdsburg and Sonoma Luxury Resort, LLC ("Developer") entered into a Development Agreement (DA) pertaining to the development of a 258.5-acre property located in the northeast corner of the City. In conjunction with the DA, the City certified a Final Environmental Impact Report, adopted the Saggio Hills Area Plan, and approved a Tentative Subdivision Map for the Saggio Hills development project which includes: a 130-key luxury resort with meeting rooms, event and recreation facilities, a spa, restaurants and related amenities; 70 detached residences (market rate); a 36-acre community park; a fire substation; a water pump station; and conveyance of 14.16 acres of land to the City of Healdsburg for development of affordable housing.





The first Final Map for the Saggio Hills development project was approved by the Healdsburg City Council in April 2016 and recorded in May 2018. The first Final Map establishes eleven parcels, including Parcel 5 (7.02 acres) and Parcel 6 (5.45 acres) which comprise the "Affordable Housing Land." The developer provided the 14.16-acre area to the City graded and with infrastructure and roadways installed to serve the site.

The affordable housing project at



Saggio Hills is a 100 percent affordable, 118-unit project on a 14.16-acre site being developed by Freebird Development Company as part of a Development Agreement. Freebird Development Company was selected through an RFQ process in February of 2021. The project consists of 1011 Extremely Low-Income units, 11 Very Low-income units, 9086 Low-income units, and 10 Moderate-income units, as specified in the pending Affordable Housing Agreement. The 10 VeryOf the 11 Extremely Low-income units, eight (8) will be available to thosepeople with developmental disabilities. The Saggio Hills project will also offer a for-sale component as a part of the development with at least 10 units offered for sale. The overall density is 8 units per acre. Freebird Development formally submitted its project for design review in May of 2022. The Development Agreement and Development and Disposition Agreement were approved in February 2023, and construction will begin in 2024. Occupancy is anticipated in 2025.

3 Healdsburg

The project at 3 Healdsburg is a 30-unit project being developed by KHE Holdings, LLC, of which three affordable units are being provided onsite through the City's inclusionary program. The project was entitled on 12/13/2022. Overall, there will be two Very Low-income units, one Moderate-income unit, and 27 Above Moderate-income units on a 1.25-acre site, achieving a density of 24 units per acre. This project used the State Density Bonus and the City's inclusionary program to arrive at the targeted income levels. The Affordable Housing Agreement is a condition of approval. Occupancy is expected in 2025.

Comstock/North Village

The property owner and project applicant, Comstock Healdsburg, is proposing a redevelopment of a former lumber yard site at the northern edge of the City of Healdsburg, within the North Entry Area Plan area. The site is proposed to be redeveloped with a new Mixed-Use development that provides a gateway into Healdsburg from the north. Part of the project includes the development of multifamily housing that will be available to a range of affordable income categories. The 4th Amendment to the Development Agreement is going to the City Council in 2023.



The North Village project is an 80a 77-unit project with six20 Very Low-income units, nine20 Lowincome units, 3913 Moderate-income units and 2624 Middle-income units (120-160% AMI). The affordable units are specified in the Affordable Housing PlanRegulatory Agreement with Burbank and is pending. The site is 7.6 acres and is being developed at a density of 10.5 units per acre. Occupancy is expected in 2024.

Enso Village

The Enso Village project is a Zen-inspired senior living project being developed by Kendal Corporation, located within the North Entry Plan area and part of the North Village project. The project will create 221 units, including 2010 Very Lowincome units, five (5) Low-income units and 1015 Moderateincome units, with the remainder Above Moderate-income. There will be a mix of independent living units, assisted living units and memory support units in support of the City's special needs housing goals. The affordable units and the special needs units are specified in the Affordable Housing Agreement: which was last modified June 2022. Occupancy is expected in 2024.



Farmstand

Farmstand is a 30-lot subdivision project located between US Highway 101 and Grove Street, south of Dry Creek Road consisting of a total of 8.9 acres (formerly assessor parcel numbers 089-081-013 and 089-120-004). The project is expected to result in 28 units at an An overall density of 3.41 units per acre is achieved. To meet its inclusionary housing requirement, the project is providing with one (1) Low-income unit and three Moderate_income units The remaining units are above moderate-income. An affordable duplex (one low-income unit and one moderate-income unit) is currently under construction. The remaining two (2) moderate-income units will be for-sale units, ground leased through the Housing Land Trust.



Occupancy of the initial 24 units is expected occured in late 2022. The

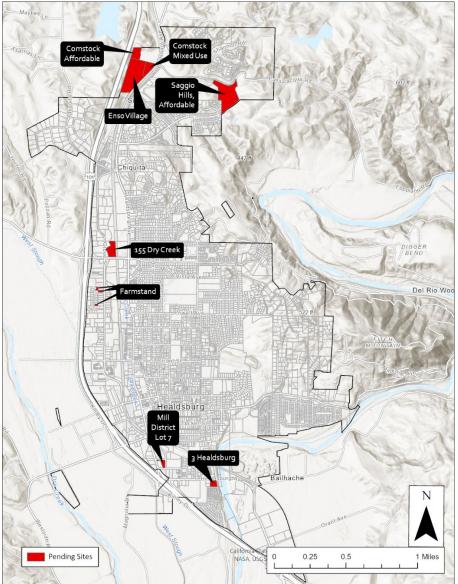
affordable units are treated as "milestones" that are required prior to issuing

building permits on the market-rate lots, as specified by the City's inclusionary housing ordinance and in the Affordable Housing Agreement. <u>Occupancy of the affordable units is expected prior to 2026.</u>

Map of Pending, Approved, and Permitted Sites

Pursuant to Government Code §65583.2(b)(7), a map (**Figure 3**) of the pending, approved, or permitted sites summarized in **Table 7** is provided <u>belowabove</u>.

Figure 3: Map of Pending Project Sites





B. Acquisition of Non-deed Restricted Units and Conversion to Affordable Units

L&M Village

The L&M Village which is a partnership between the City of Healdsburg and Reach for Home, will create 22 units for the chronically homeless, addressing the Extremely Low-income cohort. In January 2022, the Healdsburg City Council unanimously approved the purchase/sale agreement for the L&M Motel and accepted a \$7.2 million-Project HomeKey grant for the provision of interim housing at the former L&M Motel. The project is a collaboration between the City, Reach for Home, and Burbank Housing. Occupancy is targeted for November of 2022.

Scattered Sites Project

The Scattered Sites Project is a City-initiated project through which non-deed restricted units were bought at market rate and are being converted to 55-year deed restricted units. The project includes 39 units that will be affordable to Very Low-income households. These units are identified in **Table 9Table 9** and on **Figure 4Figure 4** below. Of the 39 units, 23 are located in Low resource areas and 16 are located in High resource areas. The renovation work is underway and occupancy is expected in late 20222023.

<u>The Scattered Sites Project can answer "yes" to all of the general requirements set forth in</u> <u>Government Code Section 65583.1(c) and, therefore, qualifies as an "alternate adequate sites"</u> <u>project.</u>

Government Code Section 65583.1(c)

65583.1(c)(4) Yes, the local government is providing "committed assistance" during the period of time from the beginning of the RHNA projection period to the end of the first 3 years of the housing element planning period.

65583.1(c)(1)(A) Yes, the local government has identified the specific source of "committed assistance" funds. The funding history is provided below:

In 2000, the Redevelopment Agency of the City of Healdsburg provided loans to Burbank Housing Development Corporation (Burbank) to purchase 1689 Canyon Run, a 51-unit affordable housing project.

In 2019, the City provided loans to Burbank to purchase 39 units of multi-family housing across three properties located at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Street. The intent of purchasing these properties was to preserve naturally occurring affordable housing, improve the quality of life for the residents, and to deed-restrict these units for a 55-year affordability period.

In 2020, Burbank received nearly \$23 million in tax-credit financing to remodel a total of 90 units consisting of the 39 units of multifamily housing at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Street and the 51 units at 1689 Canyon Run known collectively as the Healdsburg Scattered Sites Project (Project). This Project also leveraged a \$1M loan from the Homeless



Emergency Aid Program (HEAP) which will provide 10 units for supportive

housing managed by Reach for Home and will provide a pathway for individuals transitioning out of the L&M Village.

On March 15, 2021, Council adopted Resolution No. 19-2021, assigning the loans originally entered between the City and Burbank for the Project to Monte Vina, L.P., the managing entity for the Project. This was necessary for Burbank to meet the requirements to secure permanent financing and funding for the remodel of the properties through the Low-Income Housing Tax Credit (LIHTC) financing program.

To date, the City has contributed \$4,255,061 towards the acquisition of the Scattered Site properties. The following chart outlines the City's contributions:

<u>Loan Type</u>	Amount
City Loan For 1302 Prentice Dr. (Acquisition)	<u>\$1,076,500</u>
<u>City Loan for Repairs to Burbank Housing</u>	<u>\$275,000</u>
City Loan for Piper St. & University Ave.	<u>\$580,250</u>
<u>City Loan for Canyon Run</u>	<u>\$2,323,311</u>
<u>Totals</u>	<u>\$4,255,061</u>

On June 21, 2021, Council adopted Resolution No. 84-2021, modifying the existing \$275,000 Loan Agreement with Burbank, which was originally due and payable upon receipt of tax-credit financing, to a loan term of seventeen (17) years at 3% simple interest at the request of Burbank Housing.

65583.1(c)(3) Yes, the City met 73% of its regional share housing need for very low-income (VL) and low-income (L) households in the previous planning period. The number of affordable units permitted/constructed in the previous period (5th Cycle) is presented in **Appendix A**. Affordability was established through implementation of the Inclusionary Housing Ordinance or through negotiations with developers and resulting Affordable Housing Agreements.

65583.1(c)(1)(B) The total number of units in the Scattered Sites project that are being assisted with committed assistance funds is 90, but only 39 are being used to address the City's 6th Cycle RHNA. Funding sources include the Low-Income Housing Tax Credit (LIHTC) financing program, the Homeless Emergency Aid Program (HEAP), and City funding from Measure S. In addition, City staff has committed approximately 525 hours and will continue to commit staff time to the Scattered Sites project.

65583.1(c)(1)(B) The funds committed are sufficient to develop the identified units at affordable rents.



65583.1(c)(1)(C) The identified units meet the Conversion of Market Rate to Affordable requirements as defined and as demonstrated below.

Conversion of Market Rate to Affordable 65583.1(c)(2)(B)

65583.1(c)(2)(B) In 2019, the City provided loans to Burbank to purchase 39 units of multi-family housing across three properties located at 1302 Prentice Drive, 500 Piper Street, and 531-535 University Street, collectively known as the Scattered Sites Project. The 39 units will be deed-restricted rental units affordable to Very Low-income households. The Scatted Sites Project is described in Housing Program 2 - Preserving Existing Housing and Neighborhoods (Page 51).

65583.1(c)(2)(B)(i) Yes, the acquired units be made affordable to very low-income households. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 51).

65583.1(c)(2)(B)(ii) Thirty-nine non-deed-restricted units are being converted to deed-restricted, very-low income units. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 51).

65583.1(c)(2)(B)(iii) The acquisition and renovation work resulted in the temporary displacement of residents, some of whom may have been very low- or low-income households, but none of whom were officially qualified as such. The City provided relocation assistance consistent with Government Code Section 7260, including rent and moving expenses equivalent to four (4) months, to those occupants who were temporarily displaced. All have been offered opportunities to qualify for the refurbished, deed-restricted units. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 51).

<u>65583.1(c)(2)(B)(iv)</u> Yes, the units are and will be decent, safe, and sanitary upon occupancy. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 51).

65583.1(c)(2)(B)(v) Yes, the affordability covenants and restrictions be maintained for at least 55 years. The Scatted Sites Project is described in **Housing Program 2 - Preserving Existing Housing and Neighborhoods** (Page 51).

65583.1(c)(2)(B)(vi) Not applicable.

C. Hotel, Motel, or Hostel Conversion

L&M Village

The L&M Village Project is a partnership between the City of Healdsburg and Reach for Home. The Project created 22 units for the chronically homeless, addressing the Extremely Low-income cohort. In January 2022, the Healdsburg City Council unanimously approved the purchase/sale agreement for the L&M Motel and accepted a \$7.2 million-Project HomeKey grant for the provision of interim



housing at the former L&M Motel. The project is a collaboration between the City, Reach for Home, and Burbank Housing. <u>Residents were able to move in in November of 2022.</u>

<u>The L&M Village Project can answer "yes" to all of the general requirements set forth in Government</u> <u>Code Section 65583.1(c) and, therefore, qualifies as an "alternate adequate sites" project.</u>

Government Code Section 65583.1(c)

65583.1(c)(4) Yes, the local government is providing "committed assistance" during the period of time from the beginning of the RHNA projection period to the end of the first 3 years of the housing element planning period.

65583.1(c)(1)(A) Yes, the local government has identified the specific source of "committed assistance" funds. The funding history is provided below:

In July of 2020, the State of California launched a \$750 million program called "Project Homekey," with the aim of helping local communities rapidly acquire hotels, motels, commercial buildings, and other creative housing types to rapidly house people experiencing homelessness during the COVID-19 pandemic. Project Homekey resulted in 8,264 individuals housed across 120 unique properties.

Given the success of Project Homekey, the State of California budgeted an additional \$1.45 billion for Fiscal Year (FY) 2021-2022. Of the \$1.45 billion in Homekey funding, \$1.2 billion is derived from the Coronavirus State Fiscal Recovery Fund (CSFRF) established by the American Rescue Plan Act (ARPA) of 2021 and \$250 million is State General Fund.

On October 18, 2021, the City Council authorized City staff, in collaboration with Reach for Home and Burbank Housing to apply for the FY 2021-2022 Project Homekey program for the acquisition by the City of the L&M Motel for use as interim housing for those experiencing homelessness.

On October 26, 2021, the County of Sonoma adopted Resolution 21-0431 which authorized a Project Homekey Round-2 (PHK-2) Supportive Services Funding Framework and Early Capital Match Program and approved \$950,000 in Capital Match funding and \$3,388,660 in operating subsidy for the L&M Village.

On October 27, 2021, the City, Reach and Burbank submitted an application to the State of California for \$5,720,000 in Project Homekey capital funding and \$1,328,800 in operating subsidy for a total of \$7,048,800 in State funds.

On December 21, 2021, the State of California announced that the City, Reach and Burbank were successful in their application for Project Homekey funding and conditionally awarded the requested funding pending the execution of the State's Standard Agreements.

On February 16, 2022, the City executed a State Standard Agreement with the State of California and on March 23, 2022, the City received the PHK-2 program funds for both capital and operational costs. 2023Adopted 6th Cycle Housing Element Update



On May 3, 2022, the City closed escrow on the L&M Motel and the property is now under City ownership.

In June of 2022, the City of Healdsburg requested an extension for the PHK-2 occupancy deadline to restore the time between the date of award of funding and the time funds were actually received by the City. This extension was approved and extended the City's occupancy deadline from August 21, 2022, to November 21, 2022 and preserved the City's ability to receive an early occupancy bonus of \$220,000.

On August 1, 2022, the City awarded a bid to DMR Builders of Santa Rosa to make improvements to the L&M Village Property.

The L&M Village began accepting clients on November 21, 2022, in accordance with the terms set forth in the PHK-2 agreement.

In addition to the funding documented above, the City and Reach for Home applied for and received \$200,000 in Community Development Block Grant Funding (CDBG) thorough the Sonoma County Community Development Commission (CDC) for additional capital improvements to the L&M Village.

65583.1(c)(3) Yes, the City met 73% of its regional share housing need for very low-income (VL) and low-income (L) households in the previous planning period. The number of affordable units permitted/constructed in the previous period (5th Cycle) is presented in **Appendix A**. Affordability was established through implementation of the Inclusionary Housing Ordinance or through negotiations with developers and resulting Affordable Housing Agreements.

65583.1(c)(1)(B) The total number of units in the L&M Village project that are being assisted with committed assistance funds is 22. Funding sources include Project Homekey, PHK-2 Program Funds, and CDBG Funds. In addition, City staff has committed approximately 500 hours and will continue to commit staff time to the L&M Village project.

65583.1(c)(1)(B) The funds committed are sufficient to develop the identified units at affordable rents.

<u>65583.1(c)(1)(C)</u> The identified units meet the Hotel, Motel, or Hostel Conversion requirements as defined and as demonstrated below.

Hotel, Motel, or Hostel Conversion 65583.1(c)(2)(D)

65583.1(c)(2)(D)(i) Yes, the units are a part of a long-term recovery response to COVID-19. The project is partially funded through Project Homekey which, by definition, has a target population of households impacted by COVID19. The L&M Village project is described in **Housing Program 3** - **Sustaining and Expanding Housing Sites** (Page 53).

65583.1(c)(2)(D)(ii) Yes, the units are being made available for people experiencing homelessness as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The project is partially

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funded through Project Homekey which, by definition, has a target population of households experiencing or at risk of homelessness. The L&M Village project is described in Housing Program 3 - Sustaining and Expanding Housing Sites (Page 53).

65583.1(c)(2)(D)(iii) Yes, the units are being made available for rent at a cost affordable to very low-income households (ELI). The L&M Village project is described in **Housing Program 3** - **Sustaining and Expanding Housing Sites** (Page 53).

65583.1(c)(2)(D)(iv) Yes, the units are and will be decent, safe, and sanitary upon occupancy. The L&M Village project is described in **Housing Program 3 - Sustaining and Expanding Housing Sites** (Page 53).

65583.1(c)(2)(D)(v) Yes, the affordability covenants and restrictions be maintained for at least 55 years. Project Homekey requires 15 years, and the City is committing to a minimum of 55 years. The L&M Village project is described in **Housing Program 3 - Sustaining and Expanding Housing Sites** (Page 53).

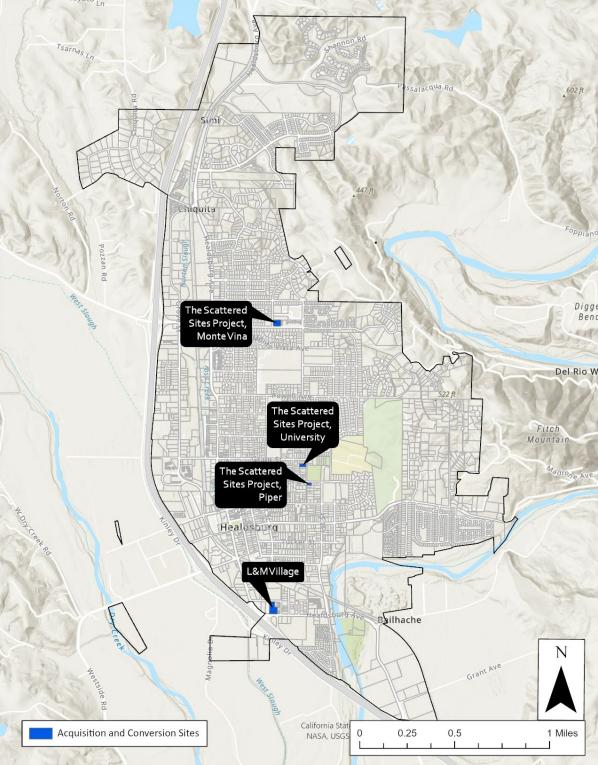


Table 9:Summary of Acquisition and Conversion "Adequate Alternative
Sites" Projects

			Number of	of Units								
Project Name	Total	ELI	VLI	LI	MI	AI	MI Resource Designat	Area tion	Status		Anticipated Occupancy	
L&M Village	22	22					Low		Renovati Underwa		November 202	
The Scattered Sites Project												
Monte Vina	23		23				Low		Renovati	ons		
University	8		8				High		Underwa		Late 2022	
Piper	8		8				High			,		
TOTAL	61	22	39	0	0	()					
Total Acquisition/ Conversion Units in Areas Designated High Resource	16	0	16	0	0	0)					
		Nu	umber of l	Jnits			Resource					
Project Name	Total	ELI	VLI	LI	МІ	AMI	Area Designation	Statu	IS		icipated supancy	
L&M Village The Scattered Sites Project	22	22					Low	Com	plete	Nov	ember 2022	
Monte Vina	23		23				Low			Octo	ober 2023	
University	8		8				High		ovations		ruary/March 2023	
Piper	8		8				High	Unde	erway		ruary/March 2023	
TOTAL Total Acquisition/ Conversion	61	22	39	0	0	0						
Units in Areas Designated High Resource	16	0	16	0	0	0						









CD. Accessory Dwelling Units and Development Assumptions

Accessory dwelling units (ADUs) are small (no larger than 1,200 square feet), self-contained units that provide living, sleeping, and kitchen areas. The unit can be attached to the main home with a separate entrance or can be a small, detached unit in the rear yard or above a garage, for example. Junior accessory dwelling units (JADUs) are no more than 500 square feet and contained entirely within a proposed or existing single family home. A JADU has its own entrance and includes an efficiency kitchen; it may have its own bathroom or it can share with the primary residence.

Because of their small size, ADUs/JADUs typically rent for less than single-family homes or larger apartments. They can provide affordable rental options for smaller households and can provide rental income for the homeowner. Between 2017-2019, the State adopted a series of additional requirements for local governments related to ADU ordinances. In response to these new ADU laws, Healdsburg has continually updated its ordinance to align with State law and better facilitate the production of ADUs and JADUs. Plan check time for ADUs in Healdsburg is relatively fast. The City has a 15-business day building permit plan review timeframe, and 10-business day resubmittal review timeframe.

Healdsburg has been successful in its efforts, with <u>5369</u> building permits issued for ADUs betweenfrom 2018 and 2021through 2022, an average of 13.258 ADUs per year. Pursuant to AB 671, the Housing Element includes a program to further incentivize the production of affordable ADUs through the creation of architect-designed ADU construction plans that can be pre-approved and customizable at minimal cost to the applicant.

Given Healdsburg's growing track record in producing ADUs and relying on HCD's safe harbor ADU assumptions, the sites inventory projects a minimum of 13.258 new ADUs to be produced annually, or 106110 during the 6th Cycle Planning Period (2023-2031). The projected affordability of these ADUs is allocated 30 percent to Very Low, 30 percent to Low, 30 percent to Moderate, and 10 percent to Above Moderate based on ABAG's ADU Affordability study. These projected units may be credited towards Healdsburg's RHNA. The City will continue to monitor the extent of ADU production to ensure that the program is successful and that the Housing Element goals and RHNA production can be met. Additional measures (e.g., outreach and marketing) will be taken within six to 12 months if ADU production is falling below projections.

The number of ADUs projected for the 6th Cycle is based on production trends through 2021. As of October 2022, year-to-date projections are strong with 13 permitted units and 11 in plan check. Of the 11 in plan check, 8 are expected to be permitted by the end of the calendar year, which would result in a total of 21 ADUs in 2022, well above the projected trend.



Consistency with Affirmatively Furthering Fair Housing

Pursuant to AB 686, sites must be identified throughout the community in a manner that affirmatively furthers fair housing opportunities per Government Code §65583(c)(10). Affirmatively Furthering Fair Housing means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity based on protected characteristics."

For purposes of the housing element sites inventory, this means that sites identified to accommodate the lower-income need are not concentrated in low-resourced areas (lack of access to high performing schools, proximity to jobs, location disproportionately exposed to pollution or other health impacts) or areas of segregation and concentrations of poverty. Instead, sites identified to accommodate the lower income RHNA must be distributed throughout the community in a manner that affirmatively furthers fair housing.

In the context of AFFH, the site identification requirement must analyze whether the identified sites serve the purpose of affirmatively furthering fair housing by replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

The City's map of sites is overlayed on the California Tax Credit Allocation/California Department of Housing and Community Development Opportunity Map (see **Figure 5Figure 5**). The analysis shows that 7079% of the lower income RHNA are located in areas of the City designated high resource (208236 pending lower-income units divided by the lower-income RHNA of 299 = 7079%). In addition, future ADUs are likely to be developed in areas where there

More than 70<u>Approximately 79</u>% of the lower income RHNA are located in areas of the City designated high resource.

are existing single family homes in high-resource areas. This analysis is summarized in **Table 10Table 10** below.



Table 10: Summary of Pending Units by Resource Area Designation

_		N	umber of	Units			_	
Project Name	Total	ELI	VLI	LI	МІ	AMI	Resource Area Designation	Status
111 Sawmill	208		24	16	1	167	Low	Under Construction
155 Dry Creek	58	5	52	0	1		High	Entitled
Saggio Hills	180		10	90	10	70	High	Entitled
3 Healdsburg	30		2		1	27	Low	Planning Commission Workshop Completed
Enso Village	221		20		10	191	High	Under Construction
Comstock	80		6	9	39	26	High	Plans Submitted
Farmstand	24			1	3	20	Low	Under Construction
L&M Village	22	22					Low	Renovations Underway
The Scattered Sites Project								
Monte Vina	23	0	23	0	0	0	Low	
University	8	0	8	0	0	0	High	Renovations Underway
Piper	8	0	8	0	0	0	High	
TOTAL Total Pending, Approved, or	862	27	153	116	65	501		
Permitted Units in Areas	539	5	104	99	60	287		
Designated High Resource								
			γ]				
			208					
Lower-income RHNA	299							
Percent of Pending Lower- income Units as a Percentage of Lower-income RHNA	70%							



-		N	umber of	Units			_	
Project Name	Total	ELI	VLI	LI	MI	AMI	Resource Area Designation	Status
111 Sawmill	208	0	24	16	1	167	Low	Under Construction
155 Dry Creek	58	5	52	0	1	0	High	Entitled
Saggio Hills	188	11	11	86	10	70	High	Entitled
3 Healdsburg	30	0	2	1	0	27	Low	Entitled
Enso Village	221	0	10	5	15	191	High	Under Construction
Comstock	77	0	20	20	13	24	High	Entitled
Farmstand	28	0	0	1	3	24	Low	Under Construction
L&M Village	22	22					Low	Complete
The Scattered Sites Project								
Monte Vina University Piper	23 8 8	0 0 0	23 8 8	0 0 0	0 0 0	0 0 0	Low High High	Renovations Underway
TOTAL Total Pending, Approved, or	871	38	158	129	43	503		
Permitted Units in Areas	544	16	109	111	39	285		
Designated High Resource			236]				
Lower-income RHNA	299							
Percent of Pending Lower- income Units as a Percentage of Lower-income RHNA	79%							

For those units that will be located in Low-resource areas of the City, the Housing Element includes policies to ensure access to resources and opportunities to avoid exacerbating concentrations of lower-income units, including subprogram #7 (Improve Infrastructure in Lower Resource Areas) of **Program 6 - Affirmatively Furthering Fair Housing**.

Opportunity Areas

HCD and TCAC have created opportunity maps to identify areas throughout the state whose characteristics support positive economic (low poverty, high employment, high median household income), educational (reading and math proficiency, high school graduation rates, low student poverty rates), and environmental outcomes (low exposure to pollution) for low-income families, particularly long-term outcomes for children. The HCD/TCAC Opportunity Areas Map ranks Census tracts in Highest Resource to Low Resource based on these outcomes. A Census tract with a designation of High Resource would indicate that the Census tract has strong educational and economic opportunities for current and future residents.



The City limits partially or fully encompass three Census tracts (11 Census Block Groups), which are categorized by the 2021 TCAC/HCD Opportunity

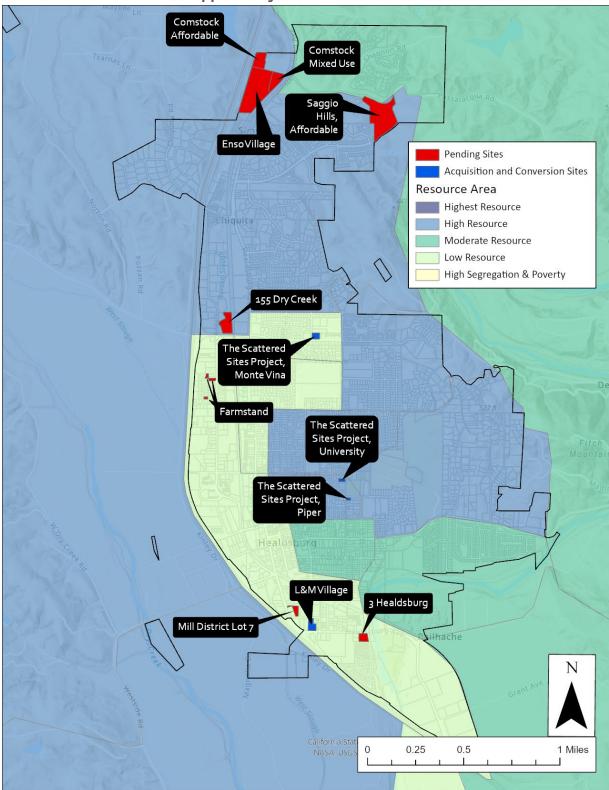
Map as a mix of low to high resources areas. No Census Block Groups were identified as exhibiting "High Segregation & Poverty."

Of the seven (7) housing sites identified to address the lower-income RHNA, four (4) are in high resource areas. The majority of the unit capacity for lower-income sites is located in high or higher resource areas. Of Healdsburg's lower-income RHNA of 299 units, <u>192220</u> pending units are in high resource areas. The two acquisition and conversion projects represent 60 additional lower-income units, of which 16 units are located in high-resource areas. The combined result is that <u>7079</u>% of Healdsburg's lower-income RHNA is addressed through credited units in high resource areas. In addition to providing an equitable distribution of sites throughout the City, Healdsburg has committed to infrastructure improvements such as sidewalks and sewer upgrades in Low Resource areas in conjunction with developments such as L&M Village.

Figure 5Figure 5 shows the distribution of pending projects and acquisition/conversion units in relation to the TCAC Opportunity Areas.



Figure 5: Map of Pending and Acquisition and Conversion Project Sites in Relation to TCAC Opportunity Areas



CLIFORMA

Improved and Exacerbated Conditions

Improved Conditions

By meeting 7079% of the lower income RHNA in high-resource areas, Healdsburg is affirmatively promoting integration, balancing the distribution of residential development, and improving access to resources for the City's lower-income families. In addition, sites for all income levels are scattered throughout the City. There is no significant concentration of one income category in any one area included in the inventory.

Exacerbated Conditions

Three pending projects, representing <u>4344</u> units affordable to lower-income households are located in a Census Block Group that is considered low-resource partially due to its low "Environmental Domain" score. Due to the redevelopment of the City's central lumber mill and further deindustrialization through infill housing development, this score is likely to improve through the planning cycle. In addition, the acquisition of the L&M Motel for conversion to 22 deed-restricted affordable units is located in the same low-resource Census Block Group. One of the three Scattered Sites properties, representing 23 Very Low-income units, is located in a different, but adjacent, lowresource Census Block Group. In total, these projects represent <u>8789</u> units that will be located in low-resource areas.

To ensure these sites do not exacerbate current conditions, these sites are accompanied by place-based strategies within the City's Policies and Programs to improve conditions in these areas. **Housing Program 6 - Affirmatively Further Fair Housing Housing Program 6 - Affirmatively Further Fair Housing**.

includes an initiative to invest in street, sidewalk, recreation and other infrastructure improvements and maintenance in low- and moderate-income neighborhoods of the City. One example of furthering this goal is that as a part of the L&M Village project, the City added sidewalks and sewer upgrades as a part of the project's scope of work to not only provide 22 units of interim housing, but to also to improve the neighborhood's infrastructure.

Several other programs are aimed at improving access to fair housing resources and providing information and engaging in outreach in Spanish. Together these programs are designed to invest in the area to better meet the needs of the community while reducing the risk of displacement. At the same time, the pending projects and the acquisition/conversion projects will bring investment and a more diverse set of housing choices to the neighborhoods.

Fair Housing Assessment and Distribution of Sites

Additional analysis of each Census tracts was conducted in support of the Fair Housing Assessment. Select factors are described below and summarized on **Table 11**Table 11.

Integration and Segregation: Race and Income

The Census tract with the highest concentration of Hispanic residents and low-to-moderate households (LMI) populations are located in Census tract 1539.02, which is located at the western boundary of the City and stretches east across Healdsburg Avenue, from the southern end of the City north to Dry Creek Road. Of the 95 units pending in this Census tract, approximately one-half will be Above-Moderate units, indicating that new housing for all incomes is distributed throughout



the City. More specifically, the pending lower-income units are not concentrated in the City's Census tract with the highest concentration of Hispanic residents and low-to-moderate households pending lower-income units. These sites represent a mix of vacant and underutilized sites.

Racially/Ethnically Concentrated Areas of Poverty and Affluence

While Healdsburg has no racially/ethnically concentrated areas of poverty (per HUD's definition), there is one Census tract (Census tract 1539.02) in the central part of the City with a higher concentration of minorities and LMI populations. The City's other two Census Tracts have large proportions of white populations and the highest ranges in median income in the City and may be considered a concentrated area of affluence. Sites are spread around the City and lower- and moderate- income sites are located in both areas with higher concentrations of minorities and LMI populations as well as within concentrated areas of affluence, promoting integration and balanced living patterns.

Access to Opportunity

The City boundary partially or fully encompasses three Census tracts and 11 Census Block Groups. Nearly half of the Census Block Groups are categorized as high resource while the balance is split between low and moderate resource areas (See **Figure 5** above). Housing units are spread across different resource areas.

Disproportionate Housing Needs

The fair housing assessment identifies an ongoing need for more affordable housing in the City's higher-resource areas. The City incentivizes the development of extremely low-, very low-, low-, and moderate-income housing while including programs to prevent displacement (Program HP-6 Affirmatively Furthering Fair Housing). The Sites Inventory includes pending units and acquisition/conversion units within these areas that can assist in addressing these needs





Table 11: AFFH Indicators by Census Tract

		RHNA	Credit Projec	cts (Units)		CalEnviro- Screen				
<u>Census Tract</u>	Existing Household Count	Lower- Income	Moderate- Income	Above Moderate- Income	Percent Non-White	TCAC Opportunity Area	Percent Overpayment by Renters	Percent Overcrowded Households	Displacement Sensitivity	Pollution Burden Percentile
<u>06097153902</u>	1,744	88	5	214	23.2%	Low	41.1%	5.6%	Vulnerable	46.08
<u>06097153903</u>	1,546	16	0	0	15.8%	High	27.3%	1.7%	Other	20.25
<u>06097153904</u>	940	0	0	0	8.9%	Moderate	41.4%	0.0%	Other	23.85
<u>06097153905</u>	1,310	192	60	287	16.3%	High	53.0%	0.4%	Other	23.85
<u>06097154000</u>	<u>1,028</u>	<u>0</u>	<u>0</u>	<u>0</u>	10.7%	High	32.0%	1.5%	Other	19.10
Total	6,568	296	65	501						
Data Source: Data Year:	ACS 2020				ACS 2020	TCAC/HCD 2022	ACS 2020	ACS 2020	AFFH 2017	AFFH 2021

Source: Source: California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2022); California Department of Housing and Community Development, Affirmatively Furthering Fair Housing Data and Mapping Resources (AFFH); U.S. Census Bureau, American Community Survey(ACS) 5-Year Estimates (2016-2020); Economic & Planning Systems



		RHNA Credit Projects (Units)				CalEnviro- Screen				
<u>Census Tract</u>	Existing Household Count	Lower- Income	Moderate- Income	Above Moderate- Income	Percent Non-White	TCAC Opportunity Area	Percent Overpayment by Renters	Percent Overcrowded Households	Displacement Sensitivity	Pollution Burden Percentile
<u>06097153902</u>	1,744	89	4	218	23.2%	Low	41.1%	5.6%	Vulnerable	46.08
<u>06097153903</u>	1,546	16	0	0	15.8%	High	27.3%	1.7%	Other	20.25
<u>06097153904</u>	940	0	0	0	8.9%	Moderate	41.4%	0.0%	Other	23.85
<u>06097153905</u>	1,310	220	39	285	16.3%	High	53.0%	0.4%	Other	23.85
06097154000	<u>1,028</u>	<u>0</u>	<u>0</u>	<u>0</u>	10.7%	High	32.0%	1.5%	Other	19.10
Total	6,568	325	43	503						
Data Source: Data Year:	ACS 2020				ACS 2020	TCAC/HCD 2022	ACS 2020	ACS 2020	AFFH 2017	AFFH 2021

Source: Source: California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2022); California Department of Housing and Community Development, Affirmatively Furthering Fair Housing Data and Mapping Resources (AFFH); U.S. Census Bureau, American Community Survey(ACS) 5-Year Estimates (2016-2020); Economic & Planning Systems



No Net Loss

State Law (SB 166), the "No Net Loss" law, requires jurisdictions to maintain adequate sites to address their RHNA throughout the 8-year Housing Element planning period. If sites are developed with fewer units, or are developed at a higher affordability level than assumed in the Housing Element, the jurisdiction needs to adopt findings that adequate sites are still available to meet the remaining RHNA by income category; if such a finding cannot be made, the jurisdiction is required to rezone an additional site(s) within 6 months to make up the sites shortfall.

Because of this requirement, HCD recommends an increased buffer of at least 15 to 30 percent more capacity than required, especially for the lower-income RHNA, or projecting a lower density capacity than is allowed. Additionally, programs are included within the Housing Element to ensure the City complies with new 'No Net Loss' requirements and maintains sufficient sites in inventory.

This Sites Inventory includes a <u>120131</u>% buffer for lower-income units, a <u>198155</u>% buffer for Moderate-income units, and a <u>399402</u>% buffer for Above Moderate-income units. An overall buffer of <u>203206</u>% is demonstrated.

Programs to Ensure Continued Adequate Sites (No Net Loss)

To ensure the development capacity anticipated as part of the pending projects continues to be available for development, especially for lower income housing, programs have been included to maintain an adequate Sites Inventory, throughout the 8-year planning period. **Housing Program 3** is focused on Sustaining and Expanding Housing Sites and is summarized here:

- 1) <u>Maintain Adequate Residential Sites to Assure "No Net Loss"</u>. Monitor the supply of residential sites and related development projects to ensure that sufficient developable sites and units are available to meet the 6th Cycle RHNA requirement. Building upon the existing effort, maintain and expand a detailed listing of sites available for housing development and use this list to assure RHNA requirements are met and also to attract residential developers to the City. Also, assure 'No Net Loss of Residential Units' by disallowing or mitigating any loss of housing due to redevelopment of existing areas containing housing units.
- 2) Pursue Housing Site Acquisition/Land Banking. On an opportunity basis, purchase sites or otherwise acquire sites with housing potential as part of efforts to partner with affordable housing developers and consider formation of a Community Development Corporation to facilitate such transactions. In addition, the City will explore the creation of a Housing Trust Fund that will meet State requirements for matching funding.
- 3) Provide Public Information on ADUs and other Accessory Dwelling Units. In addition to promoting ADUs, promote the development of accessory dwelling units (as permitted by SB-9 and ADU laws) by preparing and distributing an informational brochure on the permitting procedures, requirements, and support available for building accessory dwelling units in the City.



Infrastructure Considerations

A review of the City's Water Management Plan and discussions with the City's Public Works Department indicates that there is sufficient infrastructure in place to accommodate all the sites identified to address RHNA. All of the identified sites are infill sites and public services are available.

Water

In 2020, the City adopted an updated Water Management Plan, which indicates the City of Healdsburg's water supply is derived from surface water primarily through water rights but also includes a backup supply of contracted water. The City serves as the water provider within the municipality's water service area. The service area is approximately four-square miles and serves primarily residential and commercial customers. The potable water distribution system contains eight pressure zones (Tayman, Panorama, Sunset, Cadoul, Montage, Latimer, Hidden Acres, Iverson) that are each served by one or more of the six storage reservoirs (Iverson, Panorama, Tayman (2), Cadoul, Sunset) named for the zone they serve. Other zones are served by pressure regulating valves (Latimer, Hidden Acres) or a booster pump station (Montage). The City is a wholesaler to the Fitch Mountain Service area (CSA41). The principal water mains in the distribution system range in size from 4 to 16 inches in diameter. Most of the distribution piping in the older areas of the City range in size from 1-1/2 to 4 inches, while the newer areas are served by pipes 6 to 16 inches in diameter.

The City has a recycled water distribution system outside of the water service area. The recycled water transmission main extends north from the Water Reclamation Facility (WRF) following the West Slough and terminating at a recycled water dispenser on Kinley Drive, southwest of Highway 101. Another segment of recycled water pipe extends south from the WRF to multiple vineyard properties, extending approximately 18,300 feet south of the WRF. The recycled water distribution system can reach approximately 850 acres. The City is in the process of extending the recycled water pipeline into the City to offset potable water demand by irrigating parks and athletic fields with recycled water instead.

Domestic water supply is not expected to limit development. However, the impacts of climate change must be considered. Due to climate change and more severe weather patterns, the City can expect adverse and variable impacts to its water supply and demand:

- Water Demand: Hotter days and nights will result in a longer irrigation season and therefore increase landscaping and irrigation water needs.
- Water Supply: More frequent and exacerbated weather events such as longer drought periods and higher temperatures can impact water supply and supply reliability.
- Natural Disaster: Wildfires are predicted to increase in intensity and frequency, droughts may become longer and more severe, and floods are expected more frequently.

Wastewater

The City of Healdsburg Department of Public Works and Utility Department operate and maintain a total of 50.2 miles of collection system gravity main piping, eleven (11) lift stations, and 3.0 miles of force main. Sewage flows by gravity to the Magnolia Lift Station, which pumps all the City's flow to the Wastewater



Reclamation Facility (WRF). The northern area of the City is served by the relatively new North Trunk Sewer, which was constructed in 1995.

This trunk sewer was constructed to serve the areas of the City where nearly all significant new non-infill growth was expected to occur. The 33-inch Magnolia Trunk sewer collects all wastewater within the City near the south end of Healdsburg Avenue, where it runs under Highway 101 and flows another 4,400 linear feet south to the Magnolia Lift Station, located near the Foss Creek/Dry Creek confluence. After flowing through a grinder, flow enters the wet well at the Magnolia Lift Station and is then pumped approximately 3,500 linear feet through parallel 14-inch diameter force mains to the WRF.

The other 10 lift stations serve smaller areas within the City, two of which are located in the Corporation Yard. The Orangewood, Mountain View, and Heron Drive lift stations serve the southeastern portion of the City between South Fitch Mountain Road and the Russian River, and isolated areas north of South Fitch Mountain Road. All flows from the Orangewood and Mountain View lift stations are directed through the Heron Drive lift station.

Based on the preceding analysis and discussions with the Public Works Department, the units identified to address RHNA will have access to water and wastewater services, consistent with water and sewer priority requirements pursuant to SB 1087.

Environmental Considerations

While the City of Healdsburg, as documented in its General Plan Safety Element is subject to portions of the City being flooded by episodic winter storm-related high flows of the Russian River, is proximate to earthquake faults capable of damaging buildings, and is adjacent to lands designated as 'high' and 'extremely high wildfire hazard, there are ongoing programs in place to reduce these risks. None of these risks uniquely or disproportionately affect the City's under-resourced areas. A more detailed discussion of environmental constraints is included within the Technical Background Report.

Fire Hazards

As noted and addressed in the Goals and Policies and the related Programs, the City is located adjacent to wildland areas particularly to its east and western borders, that are designated 'high' and 'extremely high' wildfire hazard by CalFire. The City has active efforts underway to reduce the potential of fires in these adjacent areas from burning into the City.

Seismic Hazards

The City does not lie within active faults but is near to several known active and potentially active earthquake faults. The nearest fault zone is the Healdsburg-Rodgers which lies approximately 5 miles to the east of the City. Seismic hazards do not impede housing development in the City.

Flood Hazards

Significant portions of the City are located within the 100-year floodplain of the Russian River. Episodic flooding, typically associated with 'atmospheric river' storm events affecting the West Coast can cause flooding in the City. Local tributary creeks such as Foss Creek, are also subject to flooding. Flooding that occurs is typically a short-term inconvenience and can cause some damage to lowlying homes and businesses. Flood hazards do not impede housing development, as planned in the General Plan, from occurring.





4. Conclusion

The 6th Cycle Housing Element Update is intended to not only address Healdsburg's RHNA, but also to demonstrate the City's commitment to going above and beyond State statutory requirements in a variety of ways. The City is committed to expandin development capacity through intensification and infill development, promoting and requiring development of innovative housing types that meet local housing needs in a cost-effective manner, and expanding housing opportunities for all income groups including the 'missing middle' worker households earning moderate and above moderate family income.

The City's RHNA strategy lays out a plan for 981 units - more than double the City's RHNA of 476. This strategy reflects a 131% buffer for lower-income units, a 155% buffer for Moderate-income units, and a 402% buffer for Above Moderate-income units. An overall buffer of 206% is demonstrated.

In addition, under State law, Affirmatively Furthering Fair Housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." In the context of a community's housing needs, AFFH is not just about the number of housing units needed, but also about where the units are located and who has access to them. The City is especially pleased that nearly 80% of lower income RHNA is addressed through pending/approved projects located in high-resource areas.

The City is proud of the community's commitment to address our collective housing challenges, and with expanded staffing and additional resources. City staff is committed to fulfilling its responsibilities towards RHNA, and, more importantly, meeting the needs of the Healdsburg community.

City of Healdsburg Housing Element Update 2023-2031

AdoptedRevised Draft Housing Element Technical Background Report



1. INTRODUCTION

To meet all statutory requirements in Government Code §65583(a) (1) and (2) related to quantification and analysis of existing housing needs, this Technical Background Report (TBR) includes information locally acquired information and data from the U.S. Census, and data including but not limited to, areas of economic and ethnic segregation, special needs, and local knowledge of the housing stock. L, local housing resources, and an analysis of housing constraints are primarily informed by City staff and members of the Housing Element Work Group (HEWG). The sections are as follows:

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2. HOUSING NEEDS DATA

To meet all statutory requirements in Government Code §65583(a) (1) and (2) related to quantification and analysis of existing housing needs, this Technical Background Report also includes locally acquired information and data including but not limited to areas of economic and ethnic segregation, special needs, local knowledge of the housing stock, local housing resources, and an analysis of housing constraints this Technical Background Report (TBR) includes locally acquired information and data from the U.S. Census, including but not limited to, areas of economic and ethnic segregation, special needs, and the housing stock. Local housing resources, and an analysis of housing constraints are primarily informed by City staff and members of the Housing Element Work Group (HEWG).

This section of the Technical Background Report, in conjunction with the Housing Needs Data Report described below, includes the required quantification and analysis of needs, identification and analysis of the housing needs for special needs populations, and an analysis of zoning for a variety of housing types. Key information from this analysis is summarized earlier in Section 1 of this Housing Element.

Pre-Certified Housing Needs Dataset

The Housing Needs Data Report provided by the Association of Bay Area Governments is included in **Appendix AC** of this Section and was used to prepare this Housing Element. This appendix contains a list of housing terms, RHNA methodology, household characteristics, demographics of housing stock, and data on special needs populations. The data in this report was reviewed and precertified by the California Department of Housing and Community Development (HCD) in April 2021 and meets most of the requirements for quantification of existing and projected, including the following:

- Population, employment trends and existing and projected housing needs for all income levels
- Household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding (e.g., existing households, existing extremely lowincome households, total, lower and extremely low-income households overpaying, overcrowded households)
- Special housing needs (e.g., number of persons with disabilities, number of persons with developmental disabilities, elderly households by tenure, large households by tenure, farmworkers and female headed households)

The remaining housing needs data requirements, including quantification of persons experiencing homelessness, estimation of the number of units in need of rehabilitation and replacement, and projects at-risk of converting to market rate uses, are addressed within this section as the "Technical Background Report." The section also contains other data related to local housing programs and resources, an analysis of housing constraints, and the assessment of fair housing.





Special Needs Housing Analysis

Per Government Code §65583(a)(1)(2), a quantitative analysis of population and employment trends and existing and projected housing needs for all income groups shall be included in this section of the Housing Element. This includes household and housing characteristics that are unique to Healdsburg. State housing law identifies special needs groups as: elderly households; disabled persons, including those with developmental disabilities; large households; female-headed households; homeless families and persons in need of emergency shelter; and agricultural workers. InBy identifying and analyzing housing needs, the City can provide resources and actions to accommodate a diversity of housing needs.

Low-income large households with four (4) or more persons, female-headed households with 1 or 2 children, and aging individuals experiencing disabilities represent demographics with the greatest need for expanded affordable housing options in Healdsburg, as follows:

- •____4.5% of large households are renters and tend to live below the AMI
- Female-headed households with 1 or 2 children living under the poverty level represent 1% of total households in Healdsburg and 41% of total households living under the poverty level and are most at risk of housing insecurity
- ____7.3% of individuals aged 35 to 64 years old experience a disability with ambulatory difficulties being the most common difficulty
- •____-38% of total individuals with developmental disabilities are between ages 23 to 54.

According to US Census 2019, 5-year estimates, Healdsburg's population has increased by 7% from 11,082 in 2010 to 11,845 in 2019. The area median income (AMI) for a family of four Sonoma County is \$112,800 as of May 2022. Employment rates for individuals over 16 years old are approximately 55% with the most common occupation being management, business, science, and arts. The 2019 US Census shows that the median gross rent in Healdsburg is \$1,736. Median gross rent has been increasing annually by roughly 6% and represents a growing disparity for renter-occupied large households as stagnant wages, housing shortages, and fire disasters continue to exacerbate overcrowded conditions particularly for low-income households.

Due to high land and home costs, it is important that adequate zoning provisions allow for the accommodation of affordable multifamily projects and residential care facilities. Developments with on-site day care and/or community services located in commercial or mixed-use areas can offer a highly viable option to meet the housing needs of special needs households mentioned above.

Extremely Low-Income Housing

Extremely low-income (ELI) households represent households making 30% of the AMI, or \$33,840 per household per year. According to the 2019 US Census, approximately 553 households earn \$24,999 or less and are considered ELI<u>, and</u> 270 households make between \$25,000 and \$34,999. In Healdsburg, the median household income for ELI households is \$26,772 or less based on 2019 projectionsestimates. Healdsburg has a total of 4,635 occupied housing units.⁻¹

¹ U.S. Census Bureau



ELI households make up roughly 12% of total households. Of the total ELI

households, 160 are renters and 140 are owners who experience housing problems, as shown in **Table 1**. Similarly, those who experience any housing problem may also experience cost burden and spend more than 50% of their income on housing. Estimates from the 2017-2019 California Poverty Measure show that 14.4% of households in Sonoma County live within the poverty threshold making approximately 18% of the AMI.²

In Healdsburg, 405 owners and 630 renters are households among low-income groups who experience at least 1 of 4 severe housing problems, as shown in **Table 1** below. Housing problems include incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%. Less severe housing problems include incomplete kitchens and plumbing facilities, more than one (1) person per room, and cost burden greater than 30%.³

Cost/fee type	Total renters	Total owners	Total households
Household income ≤30	9% AMI (≤\$33,840)		
Any housing problem	160	140	300
Cost burden >30%	160	140	300
Cost burden >50%1	150	140	190
Household income >30	% to ≤50% (>\$33,8	40 to ≤\$56,400) media	n family income
Any housing problem	255	160	415
Cost burden > 30%	255	160	415
Household income >50	% to ≤80% (>\$56,4	00 to ≤\$90,240) media	n family income
Any housing problems	215	105	320
Cost burden > 30%	180	110	290

Table 1: City of Healdsburg Cost Burden and Housing Problems by Tenure

1 Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract

rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes (CHAS 2014-2018 ACS).

ABAG released their RHNA goals for the San Francisco Bay Area in December 2021 that was approved by HCD in January 2022. According to RHNA, Healdsburg must accommodate 190 units for very low-income (VLI) households during the 2023-2031 cycle. Although RHNA and Housing Needs Data Report does not include ELI household projections, Healdsburg may assume the housing need for the extremely low-income group is calculated using U.S. Census Bureau data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households. In Healdsburg, 970 of Healdsburg's households are 0 to 50% AMI while 425 are

² Public Policy Institute of California, 2022. https://www.ppic.org/publication/poverty-in-california/ ³ ABAG, 2021



extremely low-income. Therefore, extremely low-income households represent

<u>43.8% of households who are 0 to 50% AMI, as 425 divided by 970 is 43.8%. that 50% of VLI goals</u> will be for ELI households. As such, the RHNA goals project <u>9583</u> units for ELI households and <u>95107</u> units for VLI households.

ELI households have the highest needs and represent a portion of the population who are most atrisk of housing insecurity and associated health risks. This can be exacerbated by stagnant wages and increasing cost of living that may result in the lack of adequate resources to meet basic daily needs. ELI households are multiple wage earners and can be characterized as food service workers, full-time students, teachers, farmworkers, and healthcare professionals (ABAG, 2021). Housing types that can accommodate ELI households include supportive housing, single-room occupancy (SROs) units, mobile homes, studios, and one-bedroom units.

SROs and multi-family dwellings mixed with commercial use on-site are permitted in Downtown Commercial (CD) and Service Commercial (CS) zones and conditionally allowed in Plaza Retail (PR) zones. Supportive housing is permitted in all commercial and residential zones, including singlefamily residential (R-1), multi-family residential (RM), downtown residential (DR), mixed use (GMU, MU) zones, and industrial (I) zones.

Victory Studio Apartments in Healdsburg was recently completed and contains 20 units targeted for ELI households. Additionally, <u>the acquisition of the L&M Motel resulted in the creation of 22 units</u> targeted for ELI households. An additional 16 ELI units are planned as part of the Saggio Hill project and the project at 155 Dry Creek. Mill District Apartments and Burbank Housing Development Corporation (BHDC) scattered sites are anticipated to produce 39 units targeted for ELI households and 83 units for VLI and ELI households within the housing cycle.

The City participates in Sonoma County's Urban County area and is one of eight jurisdictions that receive HOME and CDBG funds to acquire, construct, and/or rehabilitate affordable housing for lower-income families. The City also partners with local non-profit organizations including Reach for Home, Housing Land Trust for Sonoma County, Fair Housing Advocates of Northern California, and others to provide housing services and financial assistance for low-income families.

Housing Program 8 (Section 2) allows the City to promote housing for ELI households and work with developers to provide funding applications. As such, the City continues to work with developers and local organizations to provide a variety of housing options for ELI households.

Elderly

Senior households represent individuals 65 years and older and may often experience challenges from accessing or securing affordable housing due to inflation coupled with living on a fixed income such as pensions, Social Security, and/or personal savings, which can result in over 50% of their income going towards housing costs. Increasing costs of living and healthcare can exacerbate existing issues related to disabilities, chronic health conditions or reduced mobility. Seniors who rent may be at greater risk of housing insecurity than those who own due to income differences.

According to the 2019 American Community Survey, 49.4% of total households are elderly who live alone in a nonfamily household. Nonfamily households consist of a householder living alone or



where a householder shares a home exclusively with people whom they are not

related. About 16.7% of senior households live with a married-couple family whereas 1.4% of senior households do not live alone in a non-family household such as an assisted living facility or senior care home. Of the 1,859 total senior households, 1,394 are owner occupied and 465 are rented. Although a large proportion of owner-occupied senior households make above the AMI (30%), a larger proportion of extremely low-income senior households are renter-occupied (62%), which demonstrates that senior households who rent are at greater risks of housing challenges.



Table 2:	Elderly Households by Income and Te	anura
		JIIUIC

Income Level	Owner	Renter
Extremely low income 0 - 30% AMI	75	120
Very low income 31 - 50% AMI	170	75
Low income 51 - 80% AMI	129	60
Moderate income 81 - 100% AMI	185	40
Above moderate income 100%+ AMI	835	170
Total	1,394	465
Source: U.S. Department of House 2017 release	ng and Urban Development (HUD),	CHAS ACS Tabulation, 2013-

While younger householders can often perform routine home repairs independently, elderly householders are often physically limited and must rely on others for assistance. Elderly householders may also not be able to afford home refurbishments or modifications needed to ensure safety and improve mobility features, such as grab bars and ramps. Younger householders may be more willing to move if the features are no longer desirable while elderly householders are less willing to move for several reasons. Despite the physical conditions of a home, most often the home is familiar and is more cost effective to stay in the home rather than a facility.

For elderly householders who live in care homes or assisted living facilities, they buy into a life care project for an initial fee and monthly payments thereafter that provide services such as cooking, housekeeping, maintenance, and nursing. The fees assure occupancy and security of a particular unit size and may include meals.

SROs, ADUs/JADUs, senior residential care facilities, mobile home parks, and subsidized multifamily dwelling units continue to be viable housing options for seniors to age in-place. The zoning code allows ADUs/JADUs in all zoning districts except industrial areas. General residential care is conditionally allowed, and limited residential care is allowed in all residential and commercial or mixed-use areas. Mobile home parks are conditionally allowed in RM zones. Multi-family dwellings are allowed in RM, CD, CS zones, conditionally in DR & PR zones, and allowed in MU zones as 100% residential use.

Pacifica Senior Living Community (38 rooms) provides skilled nursing, assisted living, and dementia care. Magnolia Manor (6 beds), Fitch Mountain Terraces (60 units) and Parkland Senior Apartments (23 units) target seniors aged 62+ years old. The City continues to encourage senior housing development, rehabilitation, and preservation, particularly in areas near public transit and services consistent with Policy 5.7 of this Housing Element and Housing Program 8 - Extremely Low-Income, Homeless, and Special Needs Housing Program (subprogram 6). The Enso Village project is a Zeninspired senior living project being developed by Kendal Corporation, located within the North Entry Plan area and part of the North Village project. The project will create 221 units, including 10



<u>Very Low-income units, five (5) Low-income units and 15 Moderate-income</u> <u>units, with the remainder Above Moderate-income. There will be a mix of independent living units,</u> <u>assisted living units and memory support units in support of the City's special needs housing goals.</u>

Additionally, the City's Senior Citizens Advisory Commission retains representatives in the community to advocate for senior needs to the city council. Regionally, nonprofit housing providers such as Petaluma Ecumenical Properties (PEP) Housing provide access to affordable housing for fixed income seniors. Additionally, SHARE Sonoma County is an organization that provides a matching service for low-income individuals who need housing with seniors who need caretaking services in their home. This program provides house sharing opportunities and allows seniors to age-in-place with reduced housing maintenance costs.

Persons with Disabilities, including Developmental Disabilities

State law defines disability as a "physical or mental impairment that makes performance of a major life activity difficult" (CA Dept of Fair Employment and Housing, 2022).

Physical impairment includes physiological disease, disorder, condition, cosmetic disfigurement or anatomical loss that affects one or more of the following body systems:

- Neurological, immunological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, endocrine systems, or similar conditions
- Mental impairment includes psychological disorder or condition, such as mental impairment, organic brain syndrome, emotional or mental illness, specific learning disabilities, or any other mental or psychological disorder or condition that requires special education or related services

Furthermore, physical and mental impairments can include chronic or episodic conditions such as HIV/AIDS, hepatitis, epilepsy, seizure disorder, multiple sclerosis, heart disease, and other similar conditions. The level of difficulty means that any limitation to a major life activity is protected under state law such as the Prudence K. Poppink Act and Fair Employment and Housing Act. Most individuals in this group typically live on a small, fixed income that limits their ability to pay for housing. Individuals with mental, physical, or developmental disabilities need safe and affordable housing that is close to supportive services. As such, an analysis of any special needs housing, including persons with disabilities and developmental disabilities, allows the jurisdiction to implement housing strategies for specific needs of the target population, per Government Code §65583(a)(7)).

According to the US Census Bureau's 2019 ACS 5-Year estimates, roughly 9.6% of residents in Healdsburg experience a disability. Approximately 28.4% of individuals 75 years or older experience a disability. About 7.3% of individuals aged 35 to 64 years old experience a disability and represent the largest subgroup in Healdsburg. Ambulatory difficulties are the most common among all groups aged 18 and older and represent about 4.1% of the total population in Healdsburg. Cognitive difficulties are the most common among those age 17 and younger and represent about 3.3% of total individuals aged 17 and younger. An individual may have overlapping difficulties and indicates



that individuals exiting the workforce into retirement with ambulatory difficulties and young children and teenagers with cognitive difficulties have the highest need for stable housing and services.



				-			
Disability Type	Under 5 years	5-17 years	18-34 years	35-64 years	65-74 years	75+ years	Total
Hearing difficulty	0	9	37	58	172	134	410
Vision difficulty	0	15	0	66	50	52	183
Cognitive difficulty	70 ¹		70	78	9	51	278
Ambulatory difficulty	1 ¹		51	195	91	145	483
Self-care difficulty	0		0	55	0	56	111
Independent living difficulty	-	-	40	66	64	86	256
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Table 3:Disability Type per Age Group in Healdsburg

Source: US Census Bureau, S1810 Disability Characteristics, 2019: ACS 5-Year Estimates

¹ The number of individuals experiencing cognitive, ambulatory, and self-care difficulties represent age groups 17 and younger.

Additionally, SB 812 amended California's Housing Element law to evaluate special housing needs for individuals experiencing developmental disabilities. Developmental disability is defined as an impairment that "originates before an individual attains 18 years of age, continues or may continue indefinitely, and constitutes a substantial disability for that individual" per the Lanternman Act. This includes intellectual disability, cerebral palsy, epilepsy, and autism. While the US Census does not contain information regarding developmental disability, the North Bay Regional Center is a non-profit, private organization that is contracted with the California Department of Developmental Services and partners with community-based organizations and agencies to serve developmentally disabled residents in the Sonoma County.

North Bay Regional Center provided data regarding the number of individuals with development disabilities in Healdsburg, as shown in **Table 4** below. Of the total population with developmental disabilities, 55% (47) are children and young adults aged 22 years or younger. Children and teenagers within this age group are most likely to live at home with a parent or guardian. Of the remaining population experiencing developmental disabilities, 38% (32) are adults aged 23 and 54 and 7% (6) are senior citizens .

Zip Code	0-14 years	15-22 years	23-54 years	55-65 years	65+ years	Total			
95448	31	16	32	4	2	85			
Source: North Bay Regional Center, 2022									

 Table 4:
 Healdsburg Developmentally Disabled Individuals per Age Group

Individuals aged 23 to 54 are most vulnerable to housing insecurity due to aging parents or guardians who may no longer be able to care for the individual that has specific needs. Individuals 23 years and older may continue living at home but with contracted at-home care providers or live in an assisted living facility based on the severity of the disability. Individuals within this demographic typically live on a fixed income such as SSI and require personalized care to conduct daily tasks. Similarly, individuals experiencing ambulatory difficulties as mentioned in **Table 3** also require at-home care or care at



assisted living communities. Assisted living facilities are considered residential

uses and are allowed as multifamily development in MU zone under the North Entry Area Plan overlay zone (M.C.20.12.210). The development is not subject to floor area ratio limitations.

Fitch Mountain Terrace in Healdsburg is a 60-unit affordable housing development targeting seniors aged 62+ years old and persons with disabilities. Foss Creek Apartments provide 64 units targeting homeless, individuals with special needs, and others that meet the income threshold. Although the inventory of affordable units is robust to meet a variety of needs, there is a need for affordable units and special needs services targeting individuals aged 23-54 years with disabilities who are aging and want an independent lifestyle. The Exchange is a 41-unit affordable housing project within the Mill District development near the future Sonoma-Marin Area Rail Transit (SMART) stop that will serve low-income households.

As such, providing a variety of housing types such as assisted living communities, residential care facilities, SROs with an on-site manager, and other supportive living communities near public transit can be beneficial to the demographic. Policy 5.8 has been added to this Housing Element update to continue to encourage the provision of new affordable housing projects that serve people with developmental disabilities. This includes facilitating Community Care HCD licensing, streamlining required land use approvals, and incentivizing developers to set aside a portion of units for developmentally disabled through subsidies and fee waivers.

Becoming Independent is a non-profit organization that serves North Bay residents with disabilities and provides independent and supported living services for Healdsburg residents. Program 8 has been added to this Housing Element to increase the city's existing capacity for coordinated services with local and regional non-profits.

Farmworkers

Statewide, farmworker housing is of unique concern and importance. Farmworkers are essential to the region's economy and its food supply. According to the United States Department of Agriculture (USDA) 2017 Census of Agriculture, only 18% of Sonoma County's farmworkers are migrant workers, with 82% of farmworkers considered settled and working farm(s) within 75 miles of their residences. Of the County's 3,594 farms counted in 2017, 48% used hired farm labor, 93% were considered family farms, and 44% of farms were smaller than 10 acres.

The 2019 ACS 5-Year Estimate identified approximately 249 Healdsburg residents employed in farming, fishing, and forestry occupations, representing 4.1% of the City workforce, 2.1% of City residents, and 3.39% of Sonoma County farmworkers. Healdsburg is surrounded by agriculture, and local farmworkers and their families need housing nearby.

Farmworker families in Sonoma County were estimated to spend between 30% and 54% of their annual income on housing during 2013-2014. Two-thirds of farmworkers lived in overcrowded dwellings in Sonoma County, and farmworkers who lived with their families were the most likely to live in overcrowded conditions. Per the Sonoma County Farmworker Health Survey 2013-2014, the "majority of farmworkers (88%) reported that Sonoma County was their permanent residence, and most (71%) farmworkers were living in the US with their families." At that time the average annual income for single, childless farmworkers permanently residing in Sonoma County was \$18,750, while



the County median income was \$35,510. Farmworker family earnings were

\$23,750, compared to the median family income of \$69,920. Farmworker families were estimated to spend between 30% and 54% of their annual income on housing.

In 2021, the Press Democrat published a special report on low-wage earners living in Sonoma County, stating "many are farmworkers... who live in cramped apartments with too many people, or sheds with only a chemical toilet, or tiny mobile homes with leaking roofs or backed-up sewage pipes." Two-thirds of farmworkers lived in overcrowded dwellings in Sonoma County, and farmworkers who lived with their families were the most likely to live in overcrowded conditions.

In Healdsburg, the U.S. Department of Agriculture (USDA)-subsidized Harvest Grove Apartments is a 44-unit apartment community on 3 acres of land dedicated to very low-income agricultural workers and their families. Additional agricultural worker housing in Healdsburg includes the Quarry Ridge, a 20-unit apartment on 1.93 acres of land dedicated to low-income families. The project was financed by USDA, HCD, and SHOP. The project's program also includes a reduced mortgage loan, favorable loan terms, and reduced cash down payment requirements.

Large Households

Large households typically comprise of five (5) or more persons residing together under one roof, and may include multiple generations including a young family, grandparents, and extended family members. Large households serve a unique need in that householders may need to save money due to the high cost of living, share responsibilities for religious or cultural reasons, serve a member with disabilities, and other personal reasons. Housing units with three (3) or more bedrooms are residential types that serve large households and are mainly renter occupied.

In Healdsburg, large households represent 19% of the total units. Households with 2-3 bedrooms represent the largest share of housing type. Owner-occupied large households represent 14.5% of total units whereas renters represent 4.5% of total units and is lower than the County estimates, as shown in **Table 5** below.

Bedroom type	Owner households	norcont	Renter households	percent	All households	percent				
0-1 bedrooms	69	1.5	334	7.2	403	8.7				
2-3 bedrooms	2,060	44.4	1,290	27.8	3,350	72.3				
4+ bedrooms	674	14.5	208	4.5	882	19.0				
Total	2,803	60.5%	1,832	40.0%	4,635	100%				
Source: US Census Bureau S2504 2019: ACS 5-Year Estimates										

Table 5: Existing Housing Stock - Number of Households by Tenure

US Census Data shows an increase in large family households since 2015 from 17.9% of total households to 22.1% of total households in 2019. In 2015, 14.9% of owners and 22% of renters were large households, growing to 16.2% of owners and 29.5% of renters in 2019.



According to ABAG, 14.3% of large households were very low-income and

earned less than 50% AMI in 2017. In Healdsburg, 14% (30) of total large households are very lowincome earning 31 - 50% of the AMI and 86% (180) are above moderate-income earning more than 100% AMI.

Renter-occupied large households tend to live below the AMI and are more likely to face housing insecurity due to lack of affordability for four or more bedrooms. A typical four-bedroom house on the market in 2022 ranged from \$859,000 to \$1.3 million. The City has worked with developers to include units for large households in affordable housing projects, including Harvest Grove and Riverfield Homes. Additionally, large households can benefit from creative multifamily dwelling solutions such as co-housing units with on-site childcare facilities. This type of development may be sited in commercial or mixed-use areas that are near services. The city's municipal code permits multifamily, small-family day care uses and commercial mixed uses in CD and CS zones. 100% multifamily residential is permitted in MU and RM zones. Development standards allow maximum FARs and reduced parking requirements in commercial districts. As such, financial incentives that support and encourage developers to create mixed-use housing that targets low-income large households of five or more members can benefit the demographic and provide for a variety of housing needs.

Female-Headed Households

Female-headed (FH) households <u>include single-parent households reliant</u>typically rely on a single income and can experience increased cost burden due to high living costs and childcare costs. Cost burden over time can result in poverty in which households make 18% of the AMI. Additionally, lack of resources needed for childcare or job training services may exacerbate housing cost burden and increase the need for affordable housing.

Table 6 below shows female-headed households with no spouse or parent present and represents roughly 18% of total households in Healdsburg, which is lower than the County's estimate. Families that live below the poverty level represent 2.5% of total households and roughly 48% of the total number of families living below poverty are single-parent females. Comparatively, 2015 ACS estimated roughly 2.6% of female-headed households that lived below the poverty level. About 52% of all households living below the poverty limit were single-parent females and indicates a slight decrease in the female-headed households in poverty.

Household type	Number	Percent
Total households	4,635	100
Total FH households	1,272	27.4
FH households w. children under 18	170	3.7
FH households living alone	841	18.1
Total families under the poverty level	115	2.5

Table 6: Female-Headed Households in Healdsburg



		1.0	
FH households under the	55	1.2	
poverty level			
No child	8	<1	
1 or 2 children	47	1	
3 or 4 children	0	0	

Female-headed households with 1 or 2 children living under the federal poverty level have the greatest need for affordable housing in Healdsburg. Low-income female-headed households may qualify for housing vouchers or other rental subsidies that lower housing costs. Additionally, FH households can benefit from transitional or shared housing, ADUs/JADUs, and mobile homes that allow for long-term residency. This may include fixed-term affordability provisions, matching service that connects low-income FH households to affordable units throughout the region, and other unconventional multifamily housing strategies such as co-housing units with on-site daycare and communal facilities as mentioned above. Supportive and transitional housing is permitted in all residential and commercial or mixed-use areas and are subject to the residential development standards for each zoning district. Identifying more site opportunities that expand multifamily options for low-income female headed households can greatly benefit this demographic.

Riverfield Homes is a six-unit multifamily development targeting low-income families. Mill District is a 41-unit affordable housing complex aimed at low-income families and working individuals. Sonoma County's Community Action Partnership provides short-term housing targeting women and children to transition into permanent housing through the Pathways Program. Program 8 of this Housing Element allows the city to continue providing extremely low-income housing for special needs groups consistent with Policies 5.4 and 5.11.

Homelessness

Homeless individuals and families have perhaps the most immediate housing need of any group. They also have one of the most difficult sets of housing needs and support services to meet, due to both the diversity and the complexity of factors that lead to homelessness. HUD defines homelessness as "living in a supervised...shelter...to provide temporary living arrangement" or an individual whose "primary nighttime residence [is] not designed for or ordinarily used as a regular sleeping accommodation...including a car, park, abandoned building, bus or train station, airport, or camping ground." California law requires that Housing Elements estimate the need for emergency shelter or other types of viable shelters for individuals experiencing homelessness.

The top three drivers of homelessness are losing a job, alcohol or drug abuse, and domestic dispute.⁴ Some can receive wrap-around services and re-enter the workforce while some continue to experience chronic homelessness. The top three constraints to securing permanent housing are unaffordable rent, lack of adequate income, and lack of funds.

According to the 2022 Sonoma County Point-In-Time survey, 97 homeless individuals were observed in Healdsburg (100% unsheltered). The number of individuals has generally decreased

⁴ ABAG/MTC Housing Data Needs Workbook, 2021



since 2018 from a total of 129 individuals, though the population has increased from 64 in 2019 and 69 in 2020.

Homeless shelters, transitional and supportive housing continue to be viable options for individuals experiencing homelessness. The zoning code allows transitional and supportive housing in all residential and commercial or mixed-use areas in Healdsburg. Homeless shelters are permitted in CS zone and residential districts that are subject to development standards under M.C. 20.20.045. On-site parking provisions allow a minimum of one parking spot per resident family, 0.35 parking space per bed and one space per staff member. Policy 5.3 of this Housing Element amends multifamily, mixed-use, and nonresidential zoning districts to allow permanent supportive housing and low-barrier navigation centers.

Sonoma County CDC secured Project Homekey funds of \$7 million in December 2021 for the renovation of the 22-unit L&M HM otel at 70 Healdsburg Avenue. Subsequently on March 22, 2022, the Board of Supervisors approved capital funds of \$950,000 to continue renovations. The project will target the chronically homeless and provide temporary housing to families and individuals by August 2022. Other shelters in Healdsburg include Holbrook Apartment, an 11-unit transitional housing for families, Victory Apartments, a four-unit transitional apartment, and Victory Studios, a seven-plex SRO transitional housing.

Additionally, the City partnered with Reach for Home, a local organization, to provide short-term rental assistance for low-income renters in Healdsburg facing homelessness due to unpaid rent, termination of other rental subsidies, or unsafe housing conditions. Other local organizations that serve homeless populations are North County Community Services, a ministry-run service in Healdsburg that accommodates four-bed overnight emergency shelters, and Reach for Home, a local organization that services homeless shelters through on-site management. The County's CoC program includes a strategic planning process that also provides rental assistance for individuals in permanent supportive housing and other homelessness services. Program 8 of this housing element establishes goals for the City to continue participating in the county's strategic plan, periodic surveys, and implementation of the Northern Sonoma County Homelessness Plan.



Zoning for a Variety of Housing Types

Healdsburg has four zoning district overlays.

- Hillside (H) Overlay. It is combined with any residential district. The purpose of this overlay is to
 prevent loss of views and preserve the natural beauty of the hillsides if dwellings on hillsides were
 located as close together as dwellings on level terrain. The minimum required lot area and lot
 width for a lot within a Hillside Overlay are required to increase by three percent over the
 minimum area and minimum width prescribed in the base residential zoning district.
- Development Cluster (DC) Overlay: It is applied only to the R-1-40,000 District. The purposes of the Development Cluster Overlay are to allow innovative design for housing developments, including variability in lot size, design, and configuration. It also ensures that each property complies with the General Plan residential densities and applicable specific plans. The total number of dwelling units allowed cannot exceed that allowed by the Specific Plan, PD, or RMP. Other residential dwelling types, including zero lot line and attached dwellings, are permitted if it is consistent in terms of density and configuration with an applicable Specific Plan or a Residential Master Plan Ordinance. Density ranges in any contiguous Development Cluster Overlay area shall be between 0 and 1.3 dwelling units per acre, including adjacent public rights-of-way. The minimum lot area is 6,000 square feet.
- Historic District (HD) Overlay: The purpose of this overlay is to preserve, maintain and enhance the historic integrity of designated areas that are of historic significance/structures found within the city. All uses permitted in the base zoning district are permitted in the Historic District Overlay. Construction of buildings and structures within an HD Overlay area, including accessory buildings over 400 square feet in floor area, except for accessory dwelling units (ADUs) requires approval by the historic committee. New ADU construction on a parcel containing a primary unit listed as a state or federal historic resource must comply with the Citywide Design Guidelines.
- North Entry Area Plan (NEAP) Overlay: The purpose of this overlay is to supplement the Mixed Use (MU) District as identified and help implement the community vision for a new mixed-use neighborhood at the north end of Healdsburg. Permitted and conditionally permitted uses shall be those uses permitted in the Mixed Use (MU) District.

	Zoning district	Name of Zoning District	Minimum Lot area	Minimum Site Area per Dwelling Unit
	R-1- 40,000	Single-Family Residential District	40,000 sq. ft.	Same as a minimum lot area
	R-1- 20,000	Single-Family Residential District	20,000 sq. ft.	_
Residential	R-1- 12,500	Single-Family Residential District	12,500 sq. ft.	
Districts	R-1- 6,000	Single-Family Residential District	6,000 sq. ft. ⁽¹⁾	
	R-1- 3,500	Single-Family Residential District	3,500 sq. ft. ⁽¹⁾	_
	RM	Multi-Family Residential District	6,000 sq. ft	-
	DR	Downtown Residential District	6,000 sq. ft	4500 sq. ft
Office Districts	ORM	Office and Multi-Family Residential District	6,000 sq. ft	-
	CD	Downtown Commercial District	none	2700 sq. ft.
	CS	Commercial Service District	10,000 sq. ft	2700 sq. ft.
	MU	Mixed-Use District	20,000 sq. ft	-
	GMU	Grove Street Mixed-Use District	12,500 sq. ft	12,500 sq. ft./ SFD or duplex
Special Districts	RMP	Residential Master Plan District		
	PD	Planned Development District		

Table 7: Healdsburg Zoning Districts

Single- and Multifamily Rental Housing

Single- and multifamily housing types include detached and attached single-family homes, duplexes, triplexes, townhomes, condominiums, and rental apartments. Detached single-family homes are permitted in the R-1, DR, GMU, and O zoning districts, and attached single-family homes are permitted in the R-1 and MU zones. Multifamily dwellings are permitted in the RM, ORM, CD, CS, and MU zoning districts and conditionally permitted in the PR and DR districts. Districts allowing multifamily dwellings are generally near the center of the City or near major thoroughfares and have remaining capacity for development.

According to the 2020 ACS 5-Year estimates, there are 5481 housing units in Healdsburg. Detached single-family dwellings account for most of Healdsburg's housing stock, consisting of 74% (4056 units) while single-family attached accounts for 4.7% (257 units) of housing stock. Duplexes, triplexes, and fourplexes comprise 11 percent (604 units) and multi-family complexes with five or more units comprise 9.3 percent (507 units) of the housing stock.



Housing for Agricultural Employees

There is a limited amount of agricultural land within the city limits mostly dedicated to viticulture farming. The 2020 ACS 5-Year estimate reported that 4.1% of Healdsburg's residents (249 people) were employed in the agriculture, forestry, fishing/hunting, and mining industries. The ACS data does not identify persons employed specifically in the agricultural industry or occupation. The Healdsburg Zoning Code makes zoning available to accommodate various housing types to address the needs of farm workers. Additionally, farmworkers can be and are housed in all types of housing in Healdsburg, including single- and multi-family housing. Housing specifically designated as employee housing for six or fewer employees is permitted in the R-1, DR, ORM, GMU, and MU zones, and do not have development or permitting standards above those required of a family dwelling of the same type in the same zone, in accordance with California Health and Safety Code (HSC) Section 17021.5. Housing for seven to 12 agricultural employees is conditionally permitted in the GMU zoning district. HSC Section 17021.6 requires employee housing of up to 36 beds in group quarters or 12 units to be treated as an agricultural use. While Healdsburg does not have an agricultural zoning district, agricultural uses are permitted in the OS district. Under Program 8.5, the City will amend the Land Use Code to permit employee housing of up to 36 beds or 12 units as an agricultural use upon identification as a housing need; the zone currently contains only one parcel.

The U.S. Department of Agriculture (USDA)-subsidized Harvest Grove Apartments is a 44-unit apartment community on 3 acres of land dedicated to very low-income agricultural workers and their families. Additional agricultural worker housing in Healdsburg includes the Quarry Ridge, a 20-unit apartment on 1.93 acres of land dedicated to low-income families. The project was financed by USDA, HCD, and SHOP. The project's program also includes a reduced mortgage loan, favorable loan terms, and reduced cash down payment requirements.

Emergency Shelters and Low Barrier Navigation Centers

Homeless shelters are a permitted use in the CS and P zoning districts. These districts have sufficient capacity to meet the need for emergency shelter, as shown in <u>Table 8</u>. These sites are located along Healdsburg Ave, with proximity to transit and amenities. In addition to these vacant sites, there is potential for reuse and redevelopment of existing buildings as emergency shelters.

APN	Zoning District	Acres	Current Use
002-491-010	CS	0.24	Vacant
002-491-011	CS	0.23	Vacant
002-494-018	CS	0.23	Vacant
Total Acreage		0.70	
Calculated using the st minimum of 0.45 acres		people in need of emerge	ency shelter x 200 sq.ft per person =

 Table 8:
 Sites with Capacity for Emergency Shelters

Under State law, the City may apply certain written objective development and management standards for homeless shelters. The City's Land Use Code includes the following standards for homeless shelters:

- Homeless shelters located in residential districts, when not developed in an individual dwelling unit format, shall not be subject to the underlying zoning district's maximum unit density standard, but the number of beds shall be limited to three times the maximum number of dwelling units that would otherwise be permitted.
- Homeless shelters shall be separated by a minimum distance of 300 feet.
- The shelter may provide the following facilities and services for the exclusive use of the residents and staff:
 - Cooking and dining facilities;
 - Recreation facilities;
 - Counseling and educational services;
 - Child care facilities;
 - Laundry facilities.
- Temporary shelter shall be available to an individual for up to 30 consecutive days.
- A sufficiently sized indoor intake area shall be provided.
- Outdoor congregating in public view and outdoor public telephones are prohibited.
- Organized outdoor activities are limited to the hours between 8:00 a.m. and 10:00 p.m. to minimize off-site noise impacts.
- The agency or organization operating the shelter shall comply with the following requirements:
 - An on-site manager shall be present when residents are present at the shelter.
 - Staff and services shall be provided to assist residents to obtain permanent shelter and income.
 - The provider shall have a written management plan including, as applicable, provisions for staff training, neighborhood outreach, security, control of outdoor loitering, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents.
- On-site parking shall be provided at a minimum of one space per resident family, .35 spaces per bed and one space per the maximum number of staff on-site at any one time.
- Exterior lighting adequate for security purposes shall be provided. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of an intensity compatible with the vicinity.

While these standards generally encourage and facilitate the development of homeless shelters, some of them are discretionary, and some exceed the scope allowed under State law. Additionally, the Land Use Code does not currently provide allowances for low barrier navigation centers. Under



Program 4.2, the City will prepare and adopt a code amendment to allow low barrier navigation centers by-right where required and to amend the standards for homeless shelters for consistency with State law.

North County Community Services (NCCS) provides rental assistance and manages several lowincome and transitional housing units in Healdsburg. They offer emergency accommodation by converting the Parish Hall of St. Paul's Episcopal Church into the Spare Room at night. The facility has two sets of bunk beds to accommodate one to four people for one to three nights. In emergencies, two additional people can be accommodated. Staff reports that it is always full and that many guests stay at the shelter multiple times during a single month. Guests are accepted on a first-come, firstserved basis, with women and children receiving first preference. NCCS provides sheets and toiletries. St. Paul's Church also makes a shower available to the general homeless population, providing approximately 100 showers per month.

Transitional and Supportive Housing

Transitional housing is typically temporary rental housing with the provision of supportive services that are designed to help persons transitioning from homelessness maintain stability and to prevent repeated homelessness. Transitional and supportive housing are permitted in all residential zones, PR, CD, CS, GMU, MU, and I zones. The Healdsburg Land Use code specifies that transitional and supportive housing are residential uses and subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone. Under Program 4.2, the City will prepare and adopt a code amendment to permit transitional and supportive housing in the O zoning district, where detached single-family dwellings are permitted, for consistency with State law. NCCS leases Victory Apartments, a four-unit apartment building in downtown Healdsburg from the City to provide transitional housing for up to 16 very low-income people. Additionally, NCCS provides Holbrook Apartment for families and Victory Studios, a seven-plex for single occupancy transitional housing.

Single Room Occupancy (SROs)

Single Room Occupancy (SRO) is a type of development serving extremely low-income households. It includes housing with shared facilities, such as living or dining areas, with private sleeping areas. Rent is much lower than those associated with typical apartment complexes. The City's Downtown Commercial District (CD), Commercial Service District (CS), and Plaza Retail District (PR) zone district allow for single-room occupancy units.

Manufactured Homes

Manufactured homes on permanent foundations are permitted as single-family or accessory dwelling units, so long as they adhere to the land use requirements for those housing types and are made of materials similar to or compatible with conventionally built residential structures in the surrounding areas. Manufactured homes are certified under the National Mobile Home Construction and Safety Standards Act of 1974.



Mobile Home Parks

Mobile home parks (MHP) are described as "any area or tract of land where one or more spaces are rented or leased or held out for rent or lease to accommodate mobile homes, manufactured homes or travel trailers used for human habitation for 30 days or longer." Mobile homes account for 0.7 percent (39 units) of housing in the 2020 ACS 5-Year Estimate. Mobile Home Parks are conditionally permitted in multi-family residential (RM) and office and multi-family residential (ORM) districts.

Accessory Dwelling Units (ADUs)

An Accessory Dwelling Unit (ADU) is a dwelling unit for rental or occupancy that is attached to or detached from a single-family dwelling or multifamily dwelling located on the same lot as the primary dwelling(s). The City's zoning district development standards allow one attached ADU, one detached ADU, and one JADU on a new or existing single-family dwelling. An exception ADU is generally 850 square feet or less, no taller than 16 feet, and with rear and side setbacks of at least 4 feet that may be constructed without meeting development standards. For JADUs, a property owner is required to live in the primary dwelling or JADU. ADUs do not require a property owner to live onsite. On a lot with an existing multifamily dwelling structure, multiple ADUs are allowed up to 25% of the number of existing units, or one (1) ADU, whichever is greater. Multifamily ADUs can be created through the conversion of areas within the residential structure not used for livable space, such as storage rooms, boiler rooms, passageways, attics, basements, or garages.

Impact fees are not required for an ADU that is 850 square feet or less. Impact fees for ADUs larger than 850 square feet are based on the proportionate size of the ADU as compared to the primary unit and will not exceed more than 50% of the fees for a new single-family or multifamily dwelling.

<u>Healdsburg issued 69 building permits for ADUs from 2018 through 2022, an average of 13.8 ADUs per year.</u> Thirty-five dwelling units received a building permit for ADU between 2018 and 2019. The statewide average estimated construction cost per square foot for a site-built ADUs is between \$370-\$435 and \$327-\$385 for a prefab built ADU.

Under Program 4.2, the City will prepare and adopt a code amendment to update its ADU Ordinance to incorporate the allowances provided under State law.



3. LOCAL HOUSING PROGRAMS & RESOURCES

Resources: Housing Assistance Programs

The following programs include Federal-, State-, and locally run programs providing funding for construction, rehabilitation, or rental assistance for very low-, low-, and moderate-income households. This section describes programs utilized by the City and those that may be locally available and potentially applicable within the jurisdiction.

Federal Assistance Programs

The **Community Development Block Grant (CDBG)** Program funds a wide variety of local housing and community development projects that improve the quality of living for lower-income residents whose incomes are less than 80 percent the Area Median Incomes as established by the U.S. Department of Housing and Urban Development (HUD).

Sonoma County receives approximately \$1.8 million annually in CDBG funds. The program is administered by the Community Development Commission, and the Sonoma County Board of Supervisors makes the final decision regarding how the funds are distributed locally. The City of Sebastopol is a part of the urban county group of non-entitlement jurisdictions with funds administered by the Sonoma County Community Development Commission. The Cities & Towns Advisory Committee administers CDBG funding to participating cities. The City can apply directly to the Sonoma County Community Development Commission to obtain CDBG funds for designated projects; however, the City is not guaranteed any minimum allocation.

CDBG funds can be used for activities that meet one of the following National Objectives:

- Benefits low- and moderate- income persons;
- Aids in the prevention or elimination of blight; and
- Meets a need from having a particular urgency (e.g. disasters)
- Examples of such activities include the following:
 - Housing rehabilitation
 - Community centers and senior centers
 - Acquisition of real property for affordable housing
 - Infrastructure improvements
 - Public services
 - Accessibility modifications
 - Permanent supportive housing for people experiencing homelessness
 - Homeless shelters



Home Investment Partnerships (HOME) grants are provided by HUD to fund a

wide variety of projects that implement local housing strategies and create affordable housing for low-income households including building, buying, rehabilitating affordable housing, or providing direct rental assistance (Source: HUD). The County receives approximately \$650,000 in HOME funds annually. The City or nonprofit developers can apply to Sonoma County CDC to obtain HOME funds, which are used on a competitive basis. There is no minimum funding guaranteed to be allocated to projects in Sebastopol. The City can work with affordable housing developers to support applications for these funds that can be used for all aspects of affordable housing development (Source: SCHA).

Housing Choice Voucher Section 8 (HCV Program) is a major federal program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

To become a participant of the HCV Program, individuals and families must sign up on the Waiting List with the Sonoma County Housing Authority. This is a list of people who are waiting to receive rental assistance. Names can only be added to the Waiting List when the list is open, which is approximately every three to five years. While the list is open, 750 applications are randomly selected and assigned a place in line. Once a name reaches the top of the waiting list, the applicant is interviewed to determine whether they are eligible for the program. Most recently, the Sonoma County HCV Program Waiting List was opened to receive applications from October 1, 2021 – November 1, 2021.

If selected, participants may choose any housing that meets the Housing Quality Standards of the program. The Sonoma County Housing Authority (SCHA) pays a housing subsidy directly to the landlord, and the participant pays the difference between the actual rent charged and the amount subsidized by the program. The tenant's share of rent and utilities is generally between 30 to 40 percent of their monthly income.

Currently, 107 Healdsburg households receive Housing Choice Vouchers.

The **Emergency Shelter Grant (ESG) Program** administered by Sonoma County CDC which provides HUD funds to rehabilitate and operate emergency shelters and transitional shelters, provide essential social services, provide permanent housing solutions and prevent homelessness (Source: SCHA).

The **Federal Home Loan Bank System** facilitates Affordable Housing Programs (AHP) which subsidize the interest rates for affordable housing. The San Francisco Home Loan Bank District provides local services within California. AHP grants are awarded annually through a competitive application process to Bank members working in partnership with housing developers and community organizations. Basic eligibility requirements include having at least 20 percent of units in rental housing reserved for very low-income households and any owner-occupied housing must serve lower income households (Source: Federal Home Loan Bank of San Francisco).

HUD Section 811/202 Programs provide critical affordable housing to elderly and persons who experience disabilities. The Section 202 program funds development and operation of affordable housing for very low-income elderly households. The Section 811 program provides non-profits with



funding to develop and operate supportive housing for disabled very- and extremely-low-income persons (Source: HUD).

Low-Income Housing Preservation and Residential Home Ownership Act (LIHPRHA) requires that all eligible HUD Section 236 and Section 211(d) projects which are "at-risk" of conversion to market-rate rental housing through the mortgage prepayment option be subject to LIHPRHA incentives. The incentives include HUD subsidies which guarantee owners an eight percent annual return on equity. Owners must file a Plan of Action to obtain incentives or offer the project for sale to a) non-profit organizations, b) tenants, or c) public bodies.

Low Income Housing Tax Credits (LIHTC) provide State and Local LIHTC- allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits based on population for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

National Housing Trust Fund (NHTF) is a federal program administered in California by HCD whereby funds can be used to increase and preserve the supply of affordable housing, with an emphasis on permanent housing for extremely low-income households. Previously, NHTF funding was allocated through the Housing for a Healthy California Program. Beginning in Fiscal Year 2022, the NHTF will be aligned with federal regulations. HCD is currently in the process of developing guidelines for the 2022 allocation of NHTF funds.

Off-Farm Labor Housing Direct Loans & Grants is a federal program administered by the US Department of Agriculture Rural Development. This program provides affordable financing to develop housing for year-round and migrant or seasonal domestic farm laborers. Housing construction may be in urban or rural areas, if there is a demonstrated need for farmworkers nearby. The rental housing is for very low- to moderate-income (\$5,500 above low-income limit) farmworkers and their families (Source: USDA RD).

State Assistance Programs

Affordable Housing and Sustainable Communities Program (AHSC) is administered by the Strategic Growth Council and implemented by the Department of Housing and Community Development (HCD). The AHSC Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas emissions. The AHSC provides grants and/or loans that benefit disadvantaged communities through increasing accessibility of affordable housing, employment centers, and key destinations via low-carbon transportation. Eligible applicants for the AHSC program include localities, public housing authorities, and redevelopment successor agencies among others.

CalHome Program is administered by HCD and provides grants to local public agencies and nonprofit developers to assist individual first-time homebuyers through deferred-payment loans for down payment assistance and home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance, or technical assistance for self-help homeownership. The CalHome Program also provides financial assistance for development of multiple-unit ownership projects (Source: HCD).



California Emergency Solutions and Housing (CESH) Program is administered by HCD and provides grants to fund a variety of activities to assist persons experiencing or at risk of homelessness. Local governments, non-profit organizations, or designated unified funding agencies can apply for funding to use for housing relocation and stabilization services, operating subsidies for permanent housing, flexible housing subsidy funds, operating support for emergency housing interventions, and systems support for homelessness services and housing delivery systems.

California Housing Accelerator Program is a new HCD program and intends to reduce the backlog of shovel-ready housing projects that have been stuck in financial limbo. Projects which have been funded under other HCD programs and have not been able to access low-income housing tax credits are eligible for the program. Applications for funding assistance must go through a selective process, giving priority to Tier I "Multifamily Project Tracker" projects, and once selected is provided a forgivable loan. The program is funded by the Coronavirus State Fiscal Recovery Fund established by the federal American Rescue Plan of 2021.

California Housing Finance Agency (CalHFA) operates several programs to help reduce the cost of housing. These programs, funded through the sale of taxable and tax-exempt bonds, provide permanent financing of affordable housing developments, financing for homebuyers, hardship assistance, resources to increase homeownership for Black residents, and grants for the predevelopment costs associated with the construction of Accessory Dwelling Units.

Community Placement Plan (CPP) and Community Resource Development Plan (CRDP) Funds. In collaboration with the regional center, the California Department of Developmental Services uses CPP and CRDP funds to develop safe, affordable, and sustainable homes as a residential option for individuals with intellectual and developmental disabilities.

Golden State Acquisition Fund (GSAF) provides funding seeded by HCD's Affordable Housing Innovation Fund to preserve and expand quality affordable and senior housing. Combined with matching funds, GSAF makes up to five-year loans to developers for the acquisition or preservation of affordable housing. Terms for funding include development parameters that require projects to designate units to lower income households. Nonprofit and for-profit developers, cities, counties, and other public agencies within California are all eligible for GSAF financing.

Infill Infrastructure Grant Program (IIG) promotes infill development by providing financial assistance for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas. Criteria for funding include affordability, density, and access to transit. Eligible applicants for the IGG Program include nonprofit and for-profit developers of qualifying infill projects and localities with jurisdiction over qualifying infill areas among others.

Joe Serna, Jr. Farmworker Housing Grant (FWHG) Program is administered by HCD and finances the new construction, rehabilitation, and acquisition of owner-occupied and rental units for agricultural workers, with a priority for lower income households. Eligible applicants include local government agencies, nonprofit corporations, and cooperative housing corporations among others.



Local Housing Trust Fund (LHTF) Program is funded through HCD and

provides matching funds to local and regional housing trust funds dedicated to the creation, rehabilitation, or preservation of affordable housing, transitional housing, and emergency shelters. Funds are also used to provide down payment assistance for first-time homebuyers and is restricted for units with at least 55 years of affordability for households earning less than sixty percent AMI.

Mobile Home Park Rehabilitation and Resident Ownership Program (MPRROP) is administered by HCD and is used to finance the preservation of affordable mobile home parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public entities. Eligible applicants include mobile home park resident organizations, nonprofit entities, and local public agencies. Low-income residents of converted parks can apply for individual loans to the entity that has purchased the park.

Multifamily Housing Program (MHP) is administered by HCD and assists the new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households. Eligible applicants must have successfully developed at least one affordable housing project.

Predevelopment Loan Program (PDLP) provides predevelopment capital to finance the predevelopment costs of projects to construct, rehabilitate, convert, or preserve assisted housing projects with priority given to developments which are rural, located in the public transit corridors, or which preserve and acquire existing government-assisted rental housing as risk of conversion to market rates. Eligible applicants include local government agencies among others.

Project Homekey is administered by HCD and provides grants to local entities to acquire and rehabilitate a variety of housing types to sustain and expand housing for people experiencing homelessness or are at risk of experiencing homelessness and provides additional funding for wraparound supportive services. In December 2021, L&M Village, formerly known as the L&M HM otel, was approved for Homekey funding, in March 2022, the County Board of Supervisors allocated additional funds to the project that will transform the 22-unit hotel into an interim housing site for Healdsburg's chronically homeless.

Section 811 Project Rental Assistance offers long-term project-based rental assistance funding from the U.S. Department of Housing and Urban Development (HUD) through a collaborative partnership among the California Housing Finance Agency (CalHFA), Department of Health Care Services (DHCS), Department of Housing and Community Development (HCD), Department of Developmental Services (DDS) and California Tax Credit Allocation Committee (TCAC).

Supportive Housing Multifamily Housing Program (SHMHP) provides low-interest loans to developers of permanent affordable rental housing that contain supportive housing units. SHMHP funds may be used for new construction or rehabilitation of a multifamily rental housing development, or conversion of a nonresidential structure to a multifamily rental housing development.

Veterans Housing and Homelessness Prevention (VHHP) Program is implemented by HCD and funds the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families to allow veterans to access and maintain housing stability. Eligible



applicants include affordable housing developers who are partnered with appropriate service providers.



Local Assistance Programs

Fair Housing Advocates of Northern California (FHANC) a non-profit based in San Rafael. FHANC provides free comprehensive fair housing counseling, complaint investigation, and assistance in filing housing discrimination complaints with HUD or California Department of Fair Employment and Housing. They offer services in English and Spanish in Sonoma County (except the City of Petaluma).

Housing Land Trust of Sonoma County (HLTSC) is a private, non-profit with a mission to provide home ownership opportunities to low- and moderate-income buyers. HLTSC owns the real estate and provides access to land and housing for those otherwise priced out of the market. The land is leased to the homeowners with a 99-year, renewable lease. To ensure the homes stay affordable when sold, a formula is used to give the homeowners a fair return on their investment, while keeping the price affordable for future low- to moderate-income families. HLTSC has five developments in Healdsburg, including projects in partnership with the City of Healdsburg.

Reach for Home for Northern Sonoma County is a non-profit for northern Sonoma County. Their programs to provide opportunities and support for participants to work toward self-sufficiency, independence, and permanent housing. Their case managers help access resources and services that will help their clients make necessary changes in their lives. They assist participants who live in Windsor, Healdsburg, Cloverdale and Geyserville. Reach for Home will be service providers for Healdsburg's L&M Village a transitional housing project mentioned under the HomeKey program above.

North County Community Services is a ministry of St. Paul's Episcopal Church in Healdsburg. They run housing assistance programs for low-income residents, a transitional housing unit, and emergency overnight homeless shelter.

Resources: Homeless Shelters, Transitional Housing, and Supportive Housing

Healdsburg has projects to help address homelessness through its partnership with local non-profits.

Spare Room Emergency Shelter, administered by North County Community Services, offers emergency accommodation at St. Paul's Episcopal Church in their Parish Hall. They offer one night of shelter; priority is given to single parent families and single women.

North County Community Services also manages several low-income and transitional housing units in Healdsburg, including Victory Apartments and Victory Studios next to St. Paul's Episcopal Church.

The City is working with Healdsburg-based Reach for Home on the L&M Village project, transforming a former motel with 22 units into interim housing for Healdsburg's chronically homeless. The site will be run by Reach for Home and will provide housing and wrap-around services for 30 days with the ability to extend.

Individuals accepted into the program will receive benefits including behavioral

health and substance use treatment, counseling to begin a path towards stabilization and a higher quality of life. The project aims to start accepting residents by late 2022. ⁵

At-Risk Assisted Housing Developments

Pursuant to Government Code Section 65583, at-risk assisted housing developments refer to any existing multi-family, rental housing complexes which receive funding under public programs and are at risk of being converted from low-income housing to market rate housing within ten (10) years of the housing element planning period. The conversions can occur due to termination and opting out of programs such as rental subsidies, mortgage repayment, expiration of restricted uses or direct loans.

The City of Healdsburg contains no low-income units which are at risk of being converted to market rate units within the next decade.

Planning and Zoning Incentives

AB 2345 (2019) amended Density Bonus Law to provide developers with density bonuses or other incentives in exchange for the provision of affordable housing. As of January 2021, up to a 50% density bonus can be approved for housing projects consisting of a combination of affordable and above moderate-income homes. The legislation also reduces specific thresholds for obtaining approvals and allowances from local jurisdictions, requires density bonus reporting, and reduces parking obligations for many projects qualifying for a density bonus.

⁵ County of Sonoma 3/22/22, Press Democrat 1/25/22



4. HOUSING DEVELOPMENT CONSTRAINTS ANALYSIS

Constraints to the production of adequate housing affordable to lower-income households are created by market, governmental, infrastructure, and environmental factors, among others. Constraints can generally be divided into 'governmental constraints' - those that are controlled by Federal, State, and local governments - and 'nongovernmental constraints' - factors that are not created by and cannot be directly affected by government policy or regulations.

As demonstrated in the Sites Evaluation, the City of Healdsburg can meet its 6th Cycle RHNA obligation despite outstanding constraints that were identified in the 5th Cycle. There can be further progress made, however, and this section identifies Governmental and Non-governmental constraints that may impede the City's housing goals beyond the 6th Cycle. Analysis of these factors informed the development of programs that eliminate or reduce their negative effects on housing supply and cost. Where applicable, the relevant program references are provided.

Governmental Constraints

Governmental constraints result from City land use policies, regulations, ordinances, taxes and fees, entitlement procedures that increase development costs, and inaction or high costs for providing needed infrastructure and services to new development, thus potentially deterring development that would otherwise occur. In many instances, while perhaps constraining development by adding costs, these policies, regulations, and programs meet other important governmental purposes. For example, without impact fees that require new development to pay a proportional share of the infrastructure needed to serve new development, related service standards would fall, causing other undesirable impacts. Similarly, inclusionary housing programs, intended to support production of affordable housing, place an additional financial burden upon new market rate development. Then there are also governmental programs or regulations imposed by other levels of government, including the State of California, that local governments have no discretion over that add considerable cost and processing time to new housing development. Accordingly, the effort to reduce such constraints needs to be balanced and must recognize competing interests.

Non-Governmental Constraints

Non-governmental constraints result from factors that affect housing affordability not directly connected to government policy, programs, or regulation. Key non-governmental constraints related to housing include the cost of construction (including land prices, building materials, and labor), availability and price of construction and mortgage financing, market conditions generally including pricing, consumer preferences, demand, and competition, capacity and availability of local or regional developers and builders, and natural hazards and environmental conditions that effect costs and availability of housing.

The Housing Strategy (Chapter 2) includes new policies and programs, informed by the Constraints Analysis and other input including the community outreach efforts, to reduce or mitigate both



governmental and non-governmental constraints within the broader policy context. These policies and programs are noted under each constraint topic discussed below.

Governmental Constraints

Governmental regulations and exactions are designed to achieve desirable land use patterns, coordinate development with infrastructure expansion, finance capital improvements, equitably distribute the cost of public services, maintain the ambiance of existing neighborhoods, improve the urban environment, and preserve open space and unique ecosystems. However, these policies and regulations may also limit or constrain housing development. While efforts have been made to reduce such constraints during the 5th Cycle, several notable constraints remain or need to be evaluated to determine whether they are excessive and represent an unnecessary constraint on housing production.

Voter-Approved Growth Control Initiatives

<u>Urban Growth Boundary</u>

The Healdsburg Urban Growth Boundary (UGB) was adopted by City voters in 1996 and is coterminous with the City's Sphere of Influence and Urban Service Area boundaries. It represents the allowed extent of urban uses in the Healdsburg Planning Area by the year 2030, in part because it is where sewer services are available to support multifamily housing product. The UGB promotes a compact urban form that ensures the efficient provision of services while preserving agricultural and open space outside of the boundary. The boundary can only be enlarged by a majority vote of city voters or by the City Council in order to accommodate lands to be designated for residential uses under limited conditions including for proposed development that consists of primarily low- and very low-income housing. Although the UGB contains properties outside of the current City limits that could be used for future housing development, neither annexation of these areas nor expansion of the UGB, is needed to provide adequate sites for accommodating the City's regional housing needs during this Housing Element planning period (see Section 3). Furthermore, the provisions of the UGB allow the City to provide services and utilities outside the UGB in order to permit the construction of affordable housing.

While limitations on annexation of unincorporated territory can be and often are a constraint, the City has adequate land within its current City Limit and Sphere of Influence to accommodate new development to meet the 6th Cycle RHNA requirements and beyond. While large tracks of vacant land do not exist, there are a variety of opportunities to increase development capacity through higher density development, infill of existing developed areas (including the existing single-family neighborhoods) and intensifying or changing designations of existing non-residential parcels.

Growth Management Program

Measure M, a residential growth management program, was sponsored by a private citizen and approved by City voters in 2000. Measure M limited the number of building permits for new residences to an average of 30 per year and no more than 90 in any three-year period. <u>Measure M is valid under the following provisions of SB 330 (2019) regulating growth management ordinances:</u>



- The ballot measure was approved prior to January 1, 2005.
- Sonoma County is a predominantly agricultural county as defined by the California Farmland Conversion Report produced by the Department of Conservation. The County has over 550,000 acres of farmland and more than 50% of the County's total land area is agricultural.

Measure P, approved by City voters in 2018 allows the construction of an additional 50 units per year, on average, of multi-family, income-restricted housing subject to deed restriction requiring that the units be rented only to tenants earning no more than 160% of the Sonoma County Area Median Income. The GMO was further amended by Measure H in 2020 to allow the average of 50 units per year of multi-family, income-restricted rental housing, as authorized by Measure P in 2018, to be offered either for rental or for sale. Despite successful amendments, the GMO remains a constraint on housing construction in Healdsburg and, as such, will be subject to policies and programs in this Housing Element to reduce or mitigate these constraints.

The adopted procedures for this growth management program exempt housing units restricted for occupancy by very low-, low-, and moderate-income households (up to 120 percent of median income). Exemptions are also made for accessory dwelling units, homeless shelters, elderly care facilities, nursing homes, sanitariums, and community care and health care facilities including housing for the disabledpeople with disabilities. The growth management program can only be repealed or amended by a majority vote of city voters. Beginning in 2001, the City of Healdsburg administers this program by awarding 30 allocations per year to approved residential projects on a first-come, first-served basis. Applicants for allocations are charged a processing fee.

Under provisions of the Initiative, thirty units are set aside within each three-year cycle for projects with four or fewer units ("Category A"). Category B allocations may be reserved by projects of five or more residential units and are limited to no more than a total of 60 per three-year cycle.

While early on GMO allocation limits did not appear to limit new development, there is little doubt that the GMO had a dampening effect on housing development in Healdsburg, wherein fewer projects are being proposed simply because the GMO is in place. Relatively few larger housing developments, including market-rate multi-family projects, are being proposed in Healdsburg. This may be because the limits established under the GMO have turned away developers of multifamily projects because they would need to be phased over several years, which erodes construction cost efficiencies. Additionally, extending a larger project's timeline increases risk for the developer and makes it more challenging to obtain financing. In addition, one larger project will impact what happens elsewhere in the City, limiting what other development can happen for the duration of the project's development period.

There has been a sustained debate in the city in recent years about whether to revise the GMO, for example, to allow more infill, workforce, or market-rate development. The discourse around the growth management ordinance is partially the result of the Central Healdsburg Avenue Plan (CHAP), which established a vision for redeveloping the Central Healdsburg gateway into a vibrant high-density, mixed-used district. The high-density housing envisioned in the CHAP will be difficult to achieve under the current growth management program, as it inherently requires higher site



densities to support land costs and housing typologies envisioned by the plan.

Since 2015 there have been efforts to amend and administer Measure M to reduce the constraint it imposes on new housing development. These efforts have included:

- November 8, 2016: Measure R was placed on the ballot to amend the existing growth management ordinance to increase inclusionary housing requirements on new developments and to remove existing restrictions on the number of new residential units allowed per year. This measure was defeated.
- November 6, 2018: Measure P was placed on the ballot to amend the City's growth management ordinance to allow for an additional 50 multifamily income-restricted rental units per year for tenants making no more than 160% AMI. This measure passed.
- March 3, 2020: Measure H was placed on the ballot to amend the City's growth management ordinance to allow income-restricted multi-family housing units allowed under Measure P to be offered either for rental or for sale. This measure passed.

While the GMO is, by its nature, a constraint on potential housing production, as presently configured it does not prevent the City from meeting its RHNA for this 6th Cycle Housing Element planning period. In fact, the GMO may have facilitated affordable housing construction by constraining market rate housing that would otherwise occupy or compete for the limited sites available. Going forward, with the 6th Cycle RHNA requirements along with a strong policy direction to expand moderate- and middle-income housing opportunities, the GMO as presently configured will pose a constraint. This conclusion is shared by the Housing Element Working Group members, who expressed concern that the GMO has had several unintended consequences, especially limiting housing opportunities for workforce housing for Healdsburg's middle-income residents. Community engagement universally indicated that the GMO is a constraint, with the GMO highlighted by the greater public, the Housing Element Work Group (HEWG), and housing development professionals in separate surveys. The community survey found the GMO in the top ten topics across all write-in responses, the HEWG recommended the GMO to be listed as a central contributing factor to fair housing issues (see Section 4.5), and the survey of development professionals rated the GMO as the primary constraint to development, deemed Highly Prohibitive by a supermajority of respondents. As a result of these expressed concerns, the Housing Strategy contains Housing Program 7: Removeing Housing Constraints, to pursue further amendments (or repeal of) the GMO.

Land Use Policy and Regulations

Land use policy, typically expressed in the jurisdiction's General Plan and development regulations are not, inherently, a constraint on housing development. Indeed, such policy and regulations create or influence the creation of development capacity, while at the same time, may have a constraining effect depending on market conditions, the competitive supply, and demand for housing. As a result, land use policy and development regulations must be viewed in a broad context of achieving public health and safety, fiscal and financial stability, and tradeoffs between competing policy objectives, (e.g., housing development versus achieving environmental quality standards).



Healdsburg 2030 General Plan

The Healdsburg General Plan was adopted in July 2009 and last updated in January 2015 for the 5th Cycle Housing Element Update. In addition to the Housing Element, the Land Use Element of the General Plan directly affects the location and type of housing that may be developed. The Land Use Element's land use designations provide for a variety of housing types with the density parameters shown in **Table 19**. Minimum densities are required for most of the designations in order to maximize residential development on a limited supply of land and achieve balance and variety of housing types.



General Plan Designation	Unit Types Allowed	Density (units/acre)
Very Low Density Residential (VLR)	Single-family dwellings	up to 1
Low Density Residential (LR)	Single-family dwellings	1 - 3
Medium Density Residential (MR)	Single-family dwellings, small lot subdivisions	3 - 6
Medium High Density Residential (MHR)	Single-family dwellings, small lot subdivisions	6 - 10
High Density Residential (HR)	Single-family dwellings, multi-family dwellings, mobile home parks	10 - 20
Downtown Residential (DR)	Single-family dwellings, multi-family dwellings, small lot subdivisions	3 - 8
Transit Residential ²	Single-family dwellings, multi-family dwellings, mobile home parks	10 - 30
Office/High Density Residential (O/HR)	Single-family dwellings, multi-family dwellings	10 - 16
Mixed Use (MU)	Single-family dwellings, multi-family dwellings, mobile home parks subordinate to commercial	up to 16
Grove Street Mixed Use (GMU)	1 single-family dwelling or duplex per lot	0 - 7
Service Commercial (SC)	Single-family dwellings, multi-family dwellings, mobile home parks subordinate to commercial	10 - 16
Downtown Commercial (DC)	Single-family dwellings, multi-family dwellings	10 - 16
Industrial (I)	Multi-family – including live-work facilities, single room occupancy units and efficiency units – for owners and/or employees of on-site uses	up to 16

Table 9:Residential Uses Allowed by General Plan Land Use Designations

¹Single room occupancy units and efficiency apartments of 500 square feet or less are counted as one-half unit for purposes of calculating density

²Transit Residential is a new designation that the Council adopted in 2014.

Source: Healdsburg 2030 General Plan.



According to State law, the default density deemed appropriate for affordable housing in Healdsburg is 20 dwellings per acre. The City amended its General Plan in 2010 to increase the allowed maximum density in the HDR land use designation from 16 units per acre to 20 units per acre. In combination with the density bonuses allowed by state law, the density achieved by affordable housing projects could exceed 27 units per acre. In past or recently-constructed affordable housing projects, the City's density limitations have not posed any constraint to such housing development. The actual development densities of all affordable housing projects constructed in Healdsburg during the 5th Cycle are shown in **Table 109**. The average density across three affordable multi-family housing projects constructed in Healdsburg during the 5th Cycle are shown in Table 109.

Project	No. units	Net acreage	Density (du/ac)	Target Income group(s)	Year Completed
Foss Creek Villas ¹	40	3.01	13.3	Moderate	2020
Healdsburg Commons	16	0.94	17.0	Very Low, Low	2018
721-723 Center St.	8	0.45	17.8	Very Low, Low	2017
Total	64	Average	14.5		
Source: City of Healdsbu	rg.				

Table 10:	Density of Com	pleted 5th Cycl	le Multifamilv	Affordable Housing Project	cts
	Density of Con	ipiecea sui eyei	ie iviaitianiny	/ moradore riodonig rioje	CLU

There has been a trend over the past decade towards higher-density affordable housing projects in the City, all within the policy framework of the General Plan. The Healdsburg Zoning Ordinance allows the approval of a greater density bonus than mandated by state law.

The Citrine Apartments project is an example of such higher density development completed since 2015. The Citrine Apartments is a 37-unit, 41,048 square foot affordable housing community built adjacent to the 126-key Hotel Trio as a condition of the Hotel's entitlement requirements and to meet the affordable housing needs of the community. This project was awarded the 2019 Pacific Coast Builders Conference, "Best Affordable Housing Community 30-60 DU/Acre."

The track record demonstrated in **Table 109** indicates that the maximum density provided by the Healdsburg General Plan for the six land use designations that allow high density residential - up to 30 units per acre for Transit Residential, 20 units per acre for High Density Residential, and up to 16 for others - can readily accommodate and facilitate the construction of lower-income housing. Increasing allowable densities higher than 20 units per acre as a matter of right has not been demonstrated to be necessary and could result in increased neighborhood or community opposition to new housing projects based on traffic, infrastructure limitations, evacuation issues or environmental concerns.



A limited number of market rate multifamily units have been built in Healdsburg.

While funding assistance in terms of both provision of land and subsidies facilitated affordable housing projects for lower-income housing, there have been no similar economic incentives to build market rate housing on higher-density, residentially-zoned land. Despite adequate acreage for higher-density residential development, both the absence of funding assistance or subsidies, as well as historical market conditions favoring single-family housing development over multifamily housing development has resulted in a lack of any market rate multifamily housing development being built in recent years in any zones that allow higher densities. The allocation limitations imposed by the Growth Management Ordinance, discussed in the Non-Governmental Constraints section, are also thought to be a hindrance to multifamily housing development.

The Land Use Element includes the following provisions to promote affordable housing:

- Residential uses are promoted in mixed-use projects by exempting the residential floor area from the calculation of a project's maximum floor area ratio.
- In the mixed-use and commercial land use designations, single room occupancy units and efficiency apartments of 500 square feet or less are counted as one-half unit for purposes of calculating density.
- Small lot subdivisions for affordable housing are allowed on property designated Medium Density, Medium High Density, or Downtown Residential. The enacting provisions in the Healdsburg Zoning Ordinance allow lots as small as 2,000 square feet as well as alternative lot configurations, such as zero lot lines, angled Z lots, zipper lots, alternative-width lots, quad lots, and motor court lots.
- The Land Use Element requires the preparation of specific plans prior to development of areas outside of the city limits and within the Healdsburg Sphere of Influence. While this requirement lengthens the review and approval process for development, it is necessary to ensure that it occurs in a manner that is consistent with land use and design criteria, environmentally sensitive areas are conserved, and adequate infrastructure is provided.

While higher density development has occurred since 2015, the existing General Plan can be amended to further this trend and create additional development capacity. The Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity to complete such amendments through adoption of new area plans or specific plans to take advantage of demands for additional and higher density housing.

Healdsburg Zoning Ordinance

The Healdsburg Zoning Ordinance specifies the zoning districts in which residential development may occur and under what circumstances. Residential uses in Healdsburg are allowed in all zoning districts with the exception of Public, Open Space and Medical Office Districts, as shown on **Table 101**. In some cases, approval of a conditional use permit is required to ensure compatibility between residential and non-residential uses.



Table 11:	Residential	Uses Allowed	by Zoning	District
	Residential	0363 Allowed	by Zonnig	DISTINCT

		Districts										
Residential Uses	R-1	RM	DR	ORM ¹	PR	CD	CS	GMU	MU	I	Р	0
Boarding houses	С	С	С	С	-	-	-	С	-	-	-	-
Duplex	-	-	С	-	-	-	-	P	-	-	-	-
Employee housing for six or fewer employees	Р	-	Ρ	Р	-	-	-	Р	Р	-	-	-
Employee housing agriculture, 7-12 agricultural employees	-	-	-	-	-	-	-	с	-	-	-	-
Homeless shelters	-	-	-	-	-	-	Р	-	-	-	Р	-
Live-work facilities	-	-	-	-	-	Р	Р	-	-	С	-	-
Caretaker residences	-	-	-	-	-	-	-	-	-	С	С	-
Mobile home parks	-	С	-	С	-	-	-	-	-	-	-	-
Multi-family dwellings	-	Р	С	Ρ	C ²	Р	Р	-	P, C ³	-	-	-
Residential care, general	С	С	С	С	-	С	С	С	С	-	-	-
Residential care, limited	Р	Р	Р	Р	-	Р	Р	Р	Р	-	-	-
Accessory dwelling unit, one per lot	Р	Р	Р	Р	Р	Р	Р	Р	Р	-	-	Р
Single-family dwelling, detached	Р	-	Р	-	-	-	-	Р	-	-	-	Р
Single-family dwelling, attached	Р	-	-	-	-	-	-	-	Р	-	-	-
Single room occupancy unit	-	-	-	-	C ²	Р	Р	-	-	-	-	-
Supportive housing	Р	Р	Ρ	Р	Р	Р	Р	Р	Р	Ρ	-	-
Transitional housing	Р	Р	Р	Р	Р	Р	Р	P	Р	Р	-	-
Work force housing	-	-	-	-	-	-	-	-	-	С	-	-

³Multifamily dwellings and SROs located on the same site as a commercial use - above ground floor.

⁴Residential uses as part of a mixed-use development are conditionally permitted.



As summarized above, residential uses, including supportive and transitional housing, are allowed in all zoning districts in Healdsburg, with the exception of Public, Open Space and Medical Office Districts, and, as such, does not pose a constraint to new residential development. Housing Program 4: Expanding Housing Development Capacity includes the adoption of zoning code amendments to align with statutory requirements and to specifically allow Low Barrier Navigation Centers by right and ensure that employee housing also is allowed in all zones that allow single family homes.

At the same time, the City's Zoning Ordinance seeks to preserve existing housing stock by prohibiting short-term (less than 30 days) rentals of residential units and ADUs. Short-term rentals are conditionally permitted in the Downtown Commercial (CD) district only. The City enforces rental regulations by responding to complaints but does not actively monitor advertisements. In 2014 the City increased the fine; if homeowners are found to be in violation of the ordinance prohibiting short-term rentals in residential areas, they are subject to a \$1,000 per day fine. The City of Healdsburg has 10 permitted short-term rentals which does not represent a significant constraint on available housing.

Residential Development Standards

The Zoning Ordinance prescribes, within or applicable to each of its districts, minimum standards for residential lot sizes, yards, and open space per unit, and maximum standards for lot coverage and building height (**Table 121**). These standards are typical of many California communities and contribute to the protection of public health, safety and welfare, and maintenance of the City's quality of life.

The Zoning Ordinance also provides for Planned Development and Residential Master Plan overlay zoning districts in which the development standards may be specifically tailored to the project that is proposed. Healdsburg Commons and Sonata projects have substantially reduced setbacks and private open space, as well as significantly higher lot coverage than is typically allowed for residential development. Consistent with the General Plan, the Zoning Ordinance allows small lot subdivisions for affordable housing in the R-1 and DRD districts on lots as small as 2,000 square feet and no required setbacks. These provisions were used in approving a low-income Habitat for Humanity project that created two 3,500-square foot lots from a 7,000-square foot lot.

In a survey of developer stakeholders, 75 percent of respondents indicated that "zoning and permitted uses" in Healdsburg are somewhat or highly prohibitive. Housing Program 4: Expanding Housing Development Capacity includes the preparation of a development capacity study that is intended to inform the adoption of zoning code amendments.



Table 12.					ing Districts			
Zoning District	Minimum	Minimum Lot Requirements			/linimum Yard	Max. lot	Max.	
District	Area	Width	Depth	Front	Side	Rear	coverage	height
R-1-3,500	3,500 sq. ft.	40 feet	None	10 feet, 20 feet garag e	Street side: 10 feet	None	50%	35 feet ¹
R-1-6,000	6,000 sq. ft.	50 feet	90 feet	20 feet		20 feet	35%	35 feet ¹
R-1- 12,500	12,500 sq. ft.	70 feet	100 feet	25 feet		25 feet	30%	35 feet
R-1- 20,000	20,000 sq. ft.	100 feet	120 feet	30 feet	1 story: 5	30 feet	25%	35 feet
R-1- 40,000	40,000 sq. ft.	150 feet	150 feet	30 feet	feet 2 stories:	30 feet	25%	35 feet
RM	6,000 sq. ft., 3,000 sq. ft./ multi-f. unit	50 feet (increas ed by 10% on corner lots)	90 feet	20 feet	10 ft. 3 stories: 15 ft. 10 feet street side corner lot	20 feet	40%	40 feet
DR	6,000 sq. ft., 4,500 sq. ft./ multi-f. unit	50 feet, (increas ed by 10% on corner lots)	90 feet	20 feet		20 feet	40% 60% for small lot subdivisio ns	35 feet ¹
	eight of 25 feet		subdivisions	•				
Source: City o	of Healdsburg,	2022						

Table 12:	Development Standards for Residential Zoning Districts
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Parking Standards

The Zoning Ordinance prescribes minimum parking requirements for residential uses. For single family houses and condominium (ownership) townhouses, two spaces are required per unit, one of which must be covered. For multifamily rental housing units, 1.5 parking spaces are required per unit, including one covered space. The guest parking requirement is one uncovered space per three units. Homeless shelters require one space per residential family, 0.35 spaces per bed, plus one space per maximum number of staff on site. Trailer and mobile home parks require one space per unit plus one guest space per three units. Shared use of parking facilities is allowed for mixed-use projects, which can reduce the number of overall required parking spaces. Upper floors of existing buildings in the Plaza Retail, Downtown Commercial, and Service Commercial zoning districts with ground floor commercial or office use can be changed to multi-family residential use without provision of off-street parking, provided a use permit is obtained.

The Planning Commission may modify or waive parking requirements if doing so reduces development costs or improves the design of a project. The Commission waived the covered parking requirement for the Park Land Senior Apartments, Oak Grove Apartments, Canyon Run Apartments, Eden Family Housing Apartments (20 West Grant Street) and Chiquita Grove affordable housing projects. In the case of the Eden Family Housing Apartments project, the developer voluntarily provided 1.78 parking spaces per unit, 18 more spaces than required by the Zoning Ordinance, while still offering rents affordable to extremely low- and very low-income households.

Modifications to the Zoning Ordinance parking location standards also have been approved for affordable projects. For example, tandem parking arrangements were approved for the Quarry Ridge and Grant Street Village projects, and the Habitat for Humanity project was allowed to locate required parking within the front yard setback.

The preceding projects demonstrate the City has provided flexibility regarding parking requirements. Nevertheless, Housing Program 4: Expanding Housing Development Capacity includes the adoption of zoning code amendments to align with statutory requirements related to parking requirements. For example, the covered parking requirement for any affordable project must be waived upon request of the developer under Government Code Section 65915; developers of affordable housing also get reduced parking requirements and do not have to provide guest parking.

Design Review Guidelines

The review of project site plans, elevation drawings, and landscaping plans is guided by the Citywide Design Guidelines (2018), which promotes both variation in design and compatibility with the desirable qualities of existing development. There are also specific design standards for multifamily housing intended to encourage designs that maximize common space, blend with the surrounding community, limit views of parking facilities from public streets, provide architectural compatibility of accessory buildings, and direct on-site lighting on driveways and walkways and away from adjacent properties. All of these guidelines are compatible with the typical design of recently constructed affordable housing projects. The Citywide Design Guidelines also provide guidelines for residential development that occurs in the eleven Character Areas in order to promote compatible design. The Zoning Ordinance also includes design standards for manufactured homes to ensure

that they are compatible with conventionally-built residential structures in the

surrounding area. These standards do not exceed the limitations prescribed by State law and design review is not required for manufactured homes.

Housing Program #4: Expanding Housing Development Capacity <u>will</u>include<u>s</u> adoption of objective design and development standards.

Regulations for Other Housing Types

Manufactured Homes/Mobile Homes

Mobile homes are considered single-family detached dwelling units when they are on a permanent foundation. This means they are allowed in the same zones as single-family housing. They may also be used as secondary dwelling units so long as they conform to all provisions relating to secondary dwelling units and to all provisions of Section 20.20.020.

Accessory Dwelling Units and Junior Accessory Dwelling Units

An Accessory Dwelling Unit (ADU) is a dwelling unit for rental or occupancy that is attached to or detached from a single-family dwelling or muti-family dwelling. Located on the same lot as a primary dwelling unit, an ADU provides complete, independent living facilities for one or more persons. ADUs are usually considered to be housing that is affordable to lower-income households because there are no land costs associated with their development and they frequently rent for less than comparably-sized apartments. They may also occupy unused space in large homes, and by supplementing the income of the homeowner, allow the elderly to remain in their homes or make it possible for lower-income families to afford homes.

The State of California has determined that ADUs are a valuable form of housing in the state for extended family members, students, the elderly, in-home health care providers, the disabled, and others. State law provides that any regulations adopted by the City to regulate ADUs cannot be so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create them.

ADUs are allowed by the Healdsburg Zoning Ordinance in all zoning districts that allow residential units. ADUs may be up to 1,200 square feet in size. The City also facilitates the development of ADUs by waiving the covered parking requirement, by not requiring that the property owner live on-site, and by allowing the units to be located in the required rear yard setback. ADUs are also exempt from the City's growth management program. The City further incentivizes ADUs by exempting ADUs less than 850 square feet in size from development impact fees, which exceeds the state requirement of 750 square feet. ADUs larger than 850 square feet are charged development impact fees based on the proportionate size of the ADU as compared to the "primary unit" and in no case will the fees exceed 50% of the fees for a new single-family or multi-family dwelling. Healdsburg has been successful in its efforts, with 69 building permits issued for ADUs from 2018 through 2022, an average of 13.8 ADUs per year, indicating Between 2017 and 20212022, about 70 ADUs were constructed permitted in Healdsburg - an indication that the City's updated regulations in response to State ADU laws encourage, rather than constrain, their development.



In addition to ADUs, the City of Healdsburg allows for Junior Accessory

Dwelling Units (JADUs). JADUs are units which are no more than 500 square feet in size and are contained entirely within a legally existing or proposed single-family dwelling, contain an efficiency-kitchen, and include a separate entrance. A JADU may include separate sanitation facilities or may share sanitation facilities with the primary single-family dwelling. The owner of the single-family dwelling must live on the property, in the single-family unit or the JADU.

A survey of second unitsADUs in Healdsburg during July 2008 showed that approximately half were being rented out (the other half were occupied by relatives or guests). Of these, approximately three-quarters were rented at rates affordable to lower-income households (adjusted for household size) and one-quarter were affordable to moderate-income households. This survey is consistent with more recent regional analysis conducted by ABAG/MTC and the Terner Center, which indicates accessory dwelling units in the San Francisco Bay Area are occupied by 30% very low-income householders, 30% low-income householders, 30% moderate-income householders, and 10% market-rate householders.

Farmworker Housing

The Healdsburg Zoning Code makes zoning available to accommodate various housing types to address the needs of farmworkers. As previously discussed, manufactured homes are considered single-family homes or second units and as such are permitted in residential districts, and multi-family units are permitted in many districts. Employee housing for six or fewer employees is permitted in R-1, DR, ORM, MP, MU, and GMU districts. The Code was updated in 2018 to add the ORM, MP, and MU zones to those permitting employee housing of six or fewer employees by right and in the GMU district, which includes several agricultural support businesses, the zoning code was amended to allow for employee housing for seven to twelve agricultural employees subject to a Conditional Use Permit. Housing Program 8.5 (Provide Farmworker Housing) includes a provision to amend the City's Land Use Code, as applicable, to permit employee housing of up to 36 beds or 12 units as an agricultural use. Harvest Grove Apartments is a 44-unit affordable development specifically available to farmworkers and their families, and Quarry Ridge are examples of affordable housing mainly for farmworker families contains farmworker units.

Homeless Shelters

State Housing Law requires that cities allow homeless shelters by-right in at least one zone and describe the capacity within the zone(s) to accommodate the City's homeless needs. The Healdsburg Zoning Ordinance allows homeless shelters in the CS and P districts as permitted uses. Homeless shelters are defined as, "a facility for the shelter and feeding of persons who lack a fixed, regular and adequate nighttime residence for up to 30 consecutive days, where such shelter is operated by a public or non-profit agency."

The City supports the operation of a winter shelter at St. Paul's Episcopal Church that operates during inclement weather and during emergencies. Most recently, the City of Healdsburg was awarded \$7.2 million through the Project Homekey program to acquire a 22-unit motel for the purposes of interim housing for those experiencing chronic homelessness. This shelter will be in



operation beginning in November of 2022 and will provide case-managed services to clients and referrals to permanent housing.

Transitional Housing/Supportive Housing

State law provides that the City must treat proposals for supportive housing for target populations (such as those with mental disabilities, substance abuse, and chronic health conditions) and transitional housing for the homeless in the same manner as other residential uses allowed in the same zone. In July 2014, the City approved new definitions of both transitional and supportive housing; the City is in compliance with State law. The definitions read as such:

Transitional housing is "rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing units are residential uses subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone."

Supportive housing is "housing with no limits on length of stay that is occupied by the target population (as defined in California Government Code Section 65582) and that is linked to on- or off-site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Supportive housing units are residential uses subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone."

The Healdsburg Zoning Ordinance was amended to add transitional and supportive housing as a permitted use in all zones where residential uses are allowed including, R-1, RM, DR, ORM, MU, GMU, CD, CS, PR, and I, as shown in **Table 11**.

Single Room Occupancy (SRO)

Single Room Occupancy (SRO) residences are small, one-room units occupied by a single individual, and may either have a shared or private kitchen and bathroom facilities. SROs are rented on a monthly basis, typically without a rental deposit, and can provide an entry point into the housing market for extremely low-income individuals, formerly homeless, and disabled persons.

Single-room occupancy units are allowed in the CD and CS districts by right; however, the units must be located on the same site as a commercial use. Single-room occupancy units are conditionally permitted in the PR district if located on the same site as a commercial use and above the ground floor. While SROs need to be developed with a commercial space, if the commercial becomes vacant, the SRO or any other residential component would not be precluded from continuing to operate.

Article 34 Authority (Affordable Housing)

Article 34 of the California Constitution requires that when the City develops, constructs, or acquires a rental housing project targeted towards lower-income households, its qualified electors must approve the project by a majority. This requirement can pose a constraint to the production of affordable housing, since the process to seek ballot approval for affordable housing projects can be costly and time consuming, with no guarantee of success.

The provisions of Article 34 allow local jurisdictions to seek voter approval for

"general authority" to develop low-income housing without identifying specific projects or sites. If the electorate approves general parameters for certain types of affordable housing development, the local jurisdiction will be able to move more quickly in response to housing opportunities that fall within those parameters.

There has been no vote taken for such action to date in the City of Healdsburg. However, by partnering with non-profit and for-profit developers that have used federal and state funding to construct hundreds of affordable housing units, the lack of Article 34 authority has not proved to be a hindrance to the City.

Density Bonus Provisions and Related Affordable Housing Incentives

State law requires the City to adopt an ordinance that specifies the method of providing density bonuses and other incentives for the development of affordable and senior housing units. The City complies with the provisions of State density bonus law. Zoning Ordinance Section 20.20.035 provides the procedures and standards for granting a density bonus. Request for density bonus does not require any additional application fee or process and does not add review time.

As noted in the Housing Strategy there is the need to update and amend the City's Density Bonus Ordinance to bring it into conformance with recent amendments to the State law and also current practice and other policy objectives including incentives for increasing moderate and middle income housing units.

While amendments and procedural improvements have been made since 2015, the Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity that specifies further amendments to the City's Zoning Ordinance. These amendments will include increases in maximum densities within districts allowing housing, further amendments to development standards, and an update to the Density Bonus Ordinance.

Development Review and Approval Procedures

Developers must take several steps to secure all necessary entitlements and permits to build housing on a given parcel of land. From the standpoint of the City, this process is necessary to ensure that new development adequately complies with local regulations that are meant to ensure the health, safety, and welfare of the entire community. From the developer's standpoint, this process can complicate and lengthen the development process, increasing the difficulty and cost to develop new housing; as such, it will be necessary to conduct further evaluation and to seek additional means to streamline the review process. Housing Program 5.6 (Facilitate Streamlined Development) establishes procedures to create standardized applications for developments filed under various State streamlining laws. The following is a brief description of the process to obtain entitlements to construct housing on vacant land in Healdsburg, as shown in **Table 123**.



 Table 13:
 Timelines & Fees for Permit Processing and Decision-Making Authority

ermit Type	essing Times an Processing Time	Approval Authority	
Annexation/Prezone	12 - 18 Months	\$ 12,335	PC & CC
Conditional Use Permit (Major)	4 - 6 Months	\$ 3,725	PC
Conditional Use Permit (Minor)	2 - 3 Months	\$ 2,820	Director
Lot Line Adjustment/Merger	3 Months	\$ 2,576	Director
Design Review (Major)	4 - 6 Months	\$ 7,627	PC
Design Review (Minor)	2 - 3 Months	\$ 2,962	Director
Variance (Major)	4 - 6 Months	\$ 3,157	PC
Variance (Minor)	2 - 3 Months	\$ 2,578	Director
Tentative Map (Major) (5 or more lots)	6 Months	\$ 7,319	PC & CC
Tentative Map (Minor) (4 or less lots)	4 Months	\$ 6,132	PC & CC
Tentative Map (SB 9)	50 Days	\$ 3,775	Director
Final Map (Major) (5 or more lots)	6 Months	\$ 19,891	СС
Final Map (Minor) (4 or less lots)	6 Months	\$ 10,634	СС
Final Map (SB 9)	3 Months	\$ 7,648	Director
Growth Management Allocation Permit*	None - issued at Building Permit	\$ 946	Director
General Plan Amendment: Land Use Diagram	4 - 6 Months	\$ 5,153	PC & CC
General Plan Amendment: Text	4 - 6 Months	\$ 6,396	PC & CC
Land Use Code (Zoning) Amendment: Map	4 - 6 Months	\$ 5,797	PC & CC
Land Use Code (Zoning) Amendment: Text	4 - 6 Months	\$ 5,797	PC & CC
Specific Plan	18 Months	Varies	PC & CC



Permit and processing requirements vary by zoning district and residential use

type and are summarized in <u>Table 14</u>Table 14. Multifamily developments have lower fees per unit than single-family units or subdivisions, which facilitates the development of higher density housing and does not pose a constraint to development. The total processing time is short for all residential development, at about 6-8 months (<u>Table 14</u>Table 14).

Table 14:Typical Processing Procedures by Project Type

	Single-Family Unit	Multifamily Development	Subdivision
			Planning Permit Application
		Planning Permit	Tentative map
		Application	Final Map
		Major Design Review	Major Design Review
Application, Permit, and		CEQA (IS/MND)	CEQA (IS/MND)
Review Types	Building Permit	Building Permit	Building Permits
Estimated Total		6-8 months for planning approvals	6-8 months for planning approvals
Processing Time	15 working days	Typically 15 working days for initial submittal	Typically 15 working days for initial submittal
			\$7,318.74 Tentative Parcel Map
		\$7,626.66 Design Review	\$7,626.66 Design Review
		\$40,000-\$50,000 CEQA (if required)	\$19,891.30 Final Map
	\$39,273 - Development impact fees	\$26,235 - impact fees per unit	\$40,000-\$50,000 CEQA (if required)
Estimated Fees	\$22,150 - Building permit fees	\$54,000 - Building Permit fees	\$39,273 in impact fees per unit
Estimated Total Fee Range	\$61,423	\$28,209-\$28,789 per unit	\$40,769-\$40,969 per unit

Assumed Project Details:

Single-Family unit Assumes a 4-bedroom, 2 bath single-family detached home of 2,000 square feet on a 6,000-square foot lot valued at \$1.27 million (median home price as of June 2022 as reported by Redfin), and is not in Character Area 1 or a Historic District

Multifamily development contains 50 units, 800 square feet each.



Subdivision containts 50 single family units.

Subdivision Approval

The subdivision approval process in Healdsburg includes the filing of an application, payment of a deposit for application processing, staff review for completeness, and public hearings before the Planning Commission and City Council. The Planning Commission action is advisory to the City Council, which has final authority over subdivisions. Depending on the size of the subdivision and specific site development issues, varying levels of environmental review are also required. Small subdivisions are generally exempt from the CEQA process under an infill development exemption; larger subdivisions typically require an initial study and negative declaration or environmental impact report. For projects processed with a mitigated negative declaration, a typical small lot subdivision takes about six to eight months' processing time from complete application to approval.

General Plan Amendment and/or Rezoning

It is often the case that an amendment to the General Plan and/or a rezoning is necessary to achieve the objectives of the developer. Such applications are fully discretionary, requiring approval by the Planning Commission and City Council.

Design Review for Residential Units and Projects

Chapter 20.28 Article IV of the Zoning Ordinance includes requirements and procedures for the design review of new development. Design review is not required for residential projects involving only one unit, with the exception of single-family dwellings in certain specific areas as noted below. The Planning and Building Department Director is empowered to grant minor design review approval for the following types of residential development applications:

- Construction of or an expansion greater than 500 square feet to a one-family dwelling on a site uphill and visible from a scenic highway or road, or located within a scenic ridgeline corridor designated by the General Plan as determined by the Planning and Building Director.
- Construction of one single-family dwelling within the Grove Street Neighborhood Plan.
- Construction of new single-family dwellings where design review is required as a condition of approval of subdivision maps.
- Within Character Area 1 (as identified in the Citywide Design Guidelines Chapter 4), construction of one single-family dwelling or a new second story addition, or significant change to the primary façade. A significant change to a primary façade is one that results in a substantive change to the appearance of the front of the building that is visible from the street. This could include enclosure of a front porch, removal of windows(s), demolition of some or all of the primary façade, an addition to the primary façade, a change in roof from or other similar alterations that fundamentally change the appearance of the primary façade.



The Planning Commission conducts major design review for the following types of residential development applications:

- Commercial, industrial, office, and residential projects (two or more residential units per site) which involve the development of vacant land with site and building improvements or involving major changes or additions to a previously developed site.
- Applications involving a change of use that requires substantial changes to the site and proposals for exterior building modifications.
- Projects subject to development approval by the Planning Commission, such as subdivisions, use permits and projects requiring the approval of variances, that also include a design review permit.

In July 2022 Minor Design Review applications cost \$2,962 and Major Design Review applications cost \$7,319. Potential applicants are encouraged to submit their preliminary plans for review by City department representatives and/or the Planning Commission in advance of a formal submittal. The City offers a "one-stop" where potential applicants can receive feedback/comments on proposed projects from each department (e.g., PW, fire, building, planning, electric). One-stop appointments are offered every Thursday afternoon at no charge.

Applicants with large and complex development applications may schedule a Planning Commission Workshop to have an early dialogue with the Commission about project vision, concepts, and any challenges with the existing land use code. These workshops provide an opportunity for early feedback on a project from the Commission and the public prior to preparing a full application. The cost of a Planning Commission workshop is \$3,566. This early dialog with the Planning Commission and public helps identify issues early in the process, prior to formal submittal, and often results in a quicker process and projects which have a workshop prior to a hearing are rarely continued. The design review process often results in an improved design that benefits both future project residents as well as neighbors. The Commission must make several general findings in approving a design review application:

- The proposed development or use is consistent with all applicable policies and requirements of the General Plan and Zoning Ordinance.
- The proposed design of the development or use, and all appurtenant structures, is consistent with the policies set forth in the Citywide Design Guidelines, as may be amended from time to time.
- The proposed development or use is consistent with the purposes of the zoning district in which it is located.
- The proposed development or use is consistent with all other conditions imposed by the Planning Commission or City Council with respect to any matter related to the purpose of design review.



- For proposed development or uses in the Central Healdsburg Avenue Plan area, the design of the development or use, and all appurtenant structures, is consistent with the policies set forth in Chapter IV, "Building Design Framework," of the Central Healdsburg Avenue Plan dated November 2013 and adopted by the Healdsburg City Council on January 21, 2014, as may be amended from time to time.
- For proposed developments or uses in the North Entry Area Plan overlay, the design of the development or use, and all appurtenant structures, is consistent with the goals, policies, objectives and design guidelines set forth in the North Entry Area Plan, as adopted by the Healdsburg City Council on May 20, 2019, as may be amended from time to time.

The design review approval process for a complete submittal that does not require additional environmental review is typically completed within four to eight weeks.

Conditional Use Permits

Many uses require a conditional use permit, including multifamily housing projects in the DR District. They are subject to the approval of a conditional use permit by the Planning Commission. Chapter 20.28, Article V in the Zoning Ordinance prescribes the procedures for obtaining a conditional use permit. Briefly, these procedures include submittal of a complete application (planning permit application form, application fees ranging from \$1,202 to \$3,725, site photographs, a written statement, a site plan, an area plan, and a floor plan) followed by a public hearing before the Planning Commission. Upon receipt of a complete application, action is generally taken on major use permits in four to eight weeks. The Commission must make a few broad findings in approving a conditional use permit application:

- The proposed location and operation of the conditional use is in accord with the Healdsburg General Plan, objectives of the Zoning Ordinance, and the purposes of the district in which the site is located.
- The proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
- The proposed conditional use will comply with each of the applicable provisions of the Zoning Ordinance.

While improvements to development review procedures have occurred since 2015, the Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity that specify further improvements focused on reducing discretionary uncertainties, the time required, and costs of obtaining desired entitlements. These amendments will include increases in maximum densities within districts allowing housing, further amendments to development standards, and an update to the Density Bonus Ordinance.



California Environmental Quality Act

Most, if not all development projects requiring discretionary review require environmental review findings pursuant to the California Environmental Quality Act (CEQA). This is partly the result of substantial distortion in the original intent of CEQA from an 'informational document' to reduce impacts and improve the environmental affect to a vehicle of community or interest group opposition that renders projects infeasible or stops them outright thus replacing broad-based planning and development policy with costly and time-consuming project-by-project review. Over the years efforts have been made at the State level to reduce the constraint on housing development imposed by CEQA, the current law continues to regularly make it difficult for local jurisdictions to approve housing development that is otherwise fully consistent with their respective general plans, zoning, and other development policy.

While CEQA reform is the responsibility of the State, the Housing Strategy includes policy and programs that specify procedures that can limit the constraining effects of project-by-project CEQA review.

Building and Other Construction Permits

A permit is required before construction of, alteration to, addition to, or demolition of any structure within the jurisdiction of the City of Healdsburg. It is probable that alterations changing the exterior appearance of commercial buildings, multi-family dwellings, and certain other structures, will need Design Review approval by the Planning Department or the Planning Commission before commencement of any such alterations.

Upon submittal of a complete set of plans, a typical single-family plan check is conducted and a building permit is issued within approximately two to four weeks, and about four to six weeks for a typical multifamily plan check. The City contracts with a consultant for more complex plan checks in order to expedite their review; however, such plan checks are done on a time and materials basis to minimize the cost.

Adopted Building Codes

The City has adopted the 2022 editions of the California Building Code, California Residential Code, California Green Building Standards Code, California Fire Code, California Electrical Code, California Plumbing Code, and the California Mechanical Code. In 2019 the City adopted a Reach Code requiring electric space and water heating in new buildings.

The City has amended these codes in a few instances when necessary to protect the health, safety, and welfare of its residents. For example, the Healdsburg Building Code includes additional requirements for concrete slab floors to mitigate local expansive soil conditions. Lighted address numbers are required to improve identification of homes by emergency personnel. Smoke detectors are required in single-family homes and automatic fire alarm systems must be provided in multifamily complexes, apartment complexes, and condominium complexes. Automatic fire suppression systems must be installed in new residential structures and substantially remodeled dwelling units. While these measures result in higher initial housing costs, they are offset over the long run by savings on homeowner's insurance and property damage.



California Green Building Standards (CALGreen)

The City of Healdsburg was an early adopter of sustainability. In November 2008, the City adopted a framework for implementation of the Healdsburg Green City Program to promote environmentally sound practices, develop green and sustainable alternatives, and reduce greenhouse gas emissions. The City had to demonstrate in the 2002 Housing Element that this program did not constrain development, because it was a local standard.

In 2010, the State of California Building Standards Commission published and mandated CALGreen, which the City has adopted, with local amendments, in place of the city's prior Green Building Ordinance. The 2013 California Green Building Standards Code ("CALGreen") became effective throughout the state on January 1, 2014. CALGreen creates uniform regulations for new residential and non-residential California buildings that are intended to reduce construction waste, make buildings more efficient in the use of materials and energy, and reduce environmental impacts during and after construction.

Largely due to evolving State building standards and related law and requirements that add considerable cost to housing construction, the building permit process continues to increase development cost, complexity and duration, especially when the circumstances of individual projects warrant extra consideration on the part of staff and officials needed to meet established standards and codes. The Housing Strategy contains Housing Program 9: Environmental Quality and Conservation to address these concerns.

Code Enforcement

Code enforcement is generally undertaken in response to a complaint filed with the City. This effort serves to maintain the conditions of the city's housing stock and does not constrain the production or improvement of housing in the city. The Healdsburg Municipal Code also establishes standards for the maintenance of properties regarding the accumulation of trash and debris, overgrown vegetation, and abandoned vehicles and equipment in order to protect property values.

There is no wrong door at the City of Healdsburg when residents report substandard housing, units that need replacement, or have code violations. Complaints received are sent to the appropriate City Department to address, and if these complaints are related to housing units, the City's Housing Department, Code Enforcement, and the City's Building Official form a task force to address the issue. If these are units that are under an agreement with the City, the City's Housing Department will enforce the provisions of the agreement. If they are private residences, the City's Code Enforcement Officer will respond to the violations and the City's Housing Department will assist the tenant with resources or referrals to organizations such as Legal Aid of Sonoma County. The goal of these interactions is to resolve the issue without the need for relocation, unless desired or necessary.

During the 5th Cycle, the City responded to multiple complaints on an affordable housing multifamily apartment building that needed repairs that were directly affecting the tenants' quality of life. In this event, the City contacted the owner of the property and developed a workplan to address the violations. These violations were corrected and verified by the Building Official. In addition, once repairs are completed, the City's Housing Department follows up with the tenants and increases onsite visits to ensure continued compliance.



In addition, the City works with non-profit partners, such as Corazón

Healdsburg, who conduct bilingual outreach to provide tenants a safe place to make landlord complaints, learn their rights as tenants, and to facilitate repairs with an advocate to assist them.

On- and Off-Site Improvements

For minor residential streets, the Circulation Plan of the Healdsburg General Plan calls for a 50-foot wide section that provides two travel lanes with parking lanes, curbs and gutters, sidewalks and utility easements on either side. This design is intended to adequately accommodate traffic, parking, pedestrians, and drainage. These standards may be modified if warranted by individual circumstances, and therefore are not a constraint on development.

Additional requirements in the City's development standards include the planting of street trees and, in some cases, the installation of utility lines underground. These amenities greatly enhance the appearance of residential neighborhoods, thereby adding to the value of homes.

The City also routinely reimburses residential developers who construct off-site improvements, using development impact fees that have been collected from other development (see discussion in following section), or by establishing a reimbursement fund that subsequent developers in the area pay into.

Development Impact Fees and Project-Specific Exactions

The City assesses a range of utility capacity/connection charges and development impact fees on development projects to pay for the system capacities and services required to serve the development. In accordance with California Government Code Section 66001(a) the Mitigation Fee Act, City must do all of the following for any fee that is established, imposed or increased:

- Identify the purpose of the fee;
- Identify the use to which the fee is to be put;
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed;
- Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed; and
- Determine that there is a "reasonable relationship" between the specific amount of the fee imposed as a condition of approval on a particular development project, and the cost of the public facility attributable to that project.

Typical development fees for residential units are summarized in **Table 125**.

CITY OF HEALDSBURG
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Type of Fee	Fee for Single-family Unit ¹	Fee for Multifamily Unit ²
Water System	\$7,376	\$4,424
Sewer System	\$12,233	\$11,009
Streets & Traffic Controls	\$4,489	\$2,992
Park System	\$2,057	\$2,057
Storm Drain System	\$6,010	\$2,404
School District Fees	\$5,940 ⁴	\$2,3764
Fire System Development Impact	\$193	\$193
Electrical Development Fees	\$975⁵	\$780 ⁵
Total	\$39,273	\$26,235

Table 15:Typical Development Impact Fees per Unit

¹ Assumes a 4-bedroom, 2 bath single-family detached home of 2,000 square feet on a 6,000-square foot lot valued at \$1.27 million (median home price as of June 2022 as reported by Redfin).

² Assumes a 20-unit multifamily development, with units of 800 square feet.

⁴ \$2.97 per sq-ft or \$5.25 per sq-ft (properties within Area A)

⁵ Electrical development fees for single-family are \$975 per unit up to 125 amps, \$1,473 per unit up to 200 amps, and \$2,975 per unit up to 400 amps. For multifamily, fees are \$975 per unit for 2-8 units, \$780 per unit for 9-50 units.

Source: City of Healdsburg, January 2022.

As shown in **Table 135** standard single-family dwelling unit (four bedrooms, two baths, 2,000 square feet) would cost an estimated \$39,273 in development impact fees. Development impact fees for a multifamily development with twenty 800-square-foot units would be an estimated \$26,235 per unit. In addition to the fees shown in the table, developers of small-scale (i.e., four or fewer) market-rate housing that is subject to the City's inclusionary requirement have an option to pay the in-lieu affordable housing fee. Fees are based on square footage and can range from \$24,349 for a 1,300 square foot unit to \$46,825 for any unit more than 2,500 square feet. Units less than 850 square feet in a project with four or fewer units are exempt from the inclusionary requirement. Units between 851 square feet and 1,200 square feet pay a fee 50% of the \$18.73 per square foot rate. The 2,000-square foot home described above would be required to pay an inclusionary in lieu fee of \$37,460, which would make the total fees \$76,733, or about 6 percent of total home price, based on the current median home value.

While this percentage is well within industry-accepted standards, it would be proportionally more for lower-cost housing, which is something the City will explore as it updates its fee programs (Housing Program 7: Removeing Housing Constraints) and monitors its inclusionary housing program



(Housing Program 5: <u>Developing Housing</u> Affordable to Very Low, Low, <u>Moderate</u>, and Middle-Income <u>Housing DevelopmentHouseholds</u>).

As aggregate development impact fees, connection charges, inclusionary requirements, and project-specific mitigation exactions constitute a substantial cost for new development and can constrain the ability to achieve affordable housing requirements, the Housing Strategy contains Housing Program 7: Remove Housing Constraints to review and amend current ordinances needed to balance the needs for infrastructure with achieving housing production objectives. Additionally, recent amendments to the Mitigation Fee Act through AB 602 require a range of new limitations and standards for imposition of development impact fees. The City will need to conduct a thorough review of its connection charges and impact fees to conform to this new law.Program 7.1 (Update and Reform Development Impact Fees and Charges) includes provisions to ensure City fees are consistent with AB 602 (2021) and that transparent development impact fee schedules are made available on the City's website.

Infrastructure Capacity

The City operates sewer, water supply, drainage, and electric utilities and maintains and builds transportation infrastructure. A review of these systems has been conducted as a part of this analysis and it had been determined that adequate capacity exists to accommodate housing development in the City at the scale required by the RHNA, which is estimated to result in an additional 1,500 residents in the City over the next 8 years. As a part of ongoing improvements and sustaining capacity, the City is also undertaking major improvements to conserve and expand water supply, save and produce electrical energy, and to promote non-private motorized vehicle transportation.

Utility Charges

In addition to a mortgage or rent payment, housing costs usually include payment for utilities. The City provides water, sewer service, storm drainage and electrical service which add to housing costs. Currently, the City discounts its monthly electric and sewer utility charges to lower-income households and tenants of affordable residential projects The electric discount is 25% discount, and water and sewer charges are discounted by 15% and 20% respectively.

City Inclusionary Housing Program

The City's inclusionary housing requirement is a critical component of the City's housing program and an active means of providing affordable units to households typically shut out of the housing market. Developers of residential projects with five or more units are required to rent or sell 20 percent of the units at prices or rents affordable to lower-, moderate-, and middle-income households. For ownership projects, the 20 percent inclusionary requirement is composed of 15 percent affordable to moderate-income households and five percent affordable to middle-income households. For rental projects, the 20 percent inclusionary requirement is composed of five percent affordable to low-income households and 15 percent affordable to moderate-income households. Alternative methods of compliance (e.g., in-lieu land dedications, off-site construction of units, conversion of market rate units to affordable units, construction of ADUs). If the project is four or fewer units, the developer can decide to fulfill the inclusionary requirement through the



payment of in-lieu fees, the dedication of land, or another equivalent method. As previously stated, units less than 850 square feet are exempt from the fee.

The inclusionary requirement is intended to offset the negative effects of new market-rate housing on the provision of non-market rate housing. The inclusionary program is also intended to promote the economic integration of lower- and moderate-income households in neighborhoods and the dispersion of such units throughout the city. The construction of above-moderate income housing depletes the amount of available residential land, while contributing to rising land prices because of a greater scarcity of developable sites. Market-rate housing development also exacerbates the affordable housing problem by creating greater needs for goods and services typically provided by low-income employees.

There has been extensive debate over the question of who bears the cost of an inclusionary requirement. Depending on the relative strength of the housing market, costs may be incurred by:

- Landowners, who may receive a lower price for their land if developers are expecting a lower profit margin from the inclusionary requirement
- Developers, who may have to accept lower profits, if the market will not absorb higher housing prices.
- The purchasers of market-rate units, who may have to pay higher housing prices if the local and regional housing supply is limited and prices are at least as high in areas outside the city.
- In a strong housing market, it is possible that all three groups will share the costs of the inclusionary housing requirement.

By limiting the inclusionary requirement to 20 percent of a project's units and providing alternative means of compliance, such as land dedication, in-lieu fees, and other equivalent means, the program is not seen as an undue or onerous constraint on the provision of market-rate housing. Additionally, the City has adjusted the program over time to facilitate its use, maximize its effectiveness, and respond to changing market conditions. Furthermore, fulfillment of the inclusionary housing requirements often help qualify a project for the state density bonus, which helps to offset the subsidy needed for the affordable prices or rents.

Constraints to Housing for Persons with Disabilities

Land Use Policies and Practices

Americans with Disabilities Act (ADA) provisions include requirements for a minimum percentage of units in new multi-family developments to be fully accessible to the physically disabled. Enforcement of ADA requirements is not at the discretion of the City but is mandated under federal law. The provisions of the ADA applicable to residential uses apply to multifamily developments and provide minimum standards that must be followed to ensure the development of safe and accessible housing.

The Land Use Code defines family as "an individual or two or more persons living together in a dwelling unit as a single housekeeping unit and in compliance with the provisions of the California



Uniform Housing Code." This broad definition of family complies with fair housing laws and does not pose a constraint to housing for persons with disabilities.

The City will promote Universal Design guidelines under Program 8.9 and enforce Building Code requirements for accessible housing under Program 8.2.

Reasonable Accommodations

The City of Healdsburg has an established Reasonable Accommodation ordinance to establish a formal procedure for an individual with a disability seeking equal access to housing. This law provides a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act. Any person with a disability, their representative developer, or provider of housing for people with disabilities can make a request. A reasonable accommodation request may include a modification or exception to the rules, standards, and practices for the siting, development, and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to the housing of their choice.

In order to receive an accommodation, an applicant must submit a written request on a form provided by the planning and building department. Once the application is deemed complete, the planning and building director issues a written determination to either grant, grant with modifications, or deny a request for reasonable accommodation within 45 days, based on the following findings:

- The housing that is the subject of the request for reasonable accommodation will be used by an individual with a disability protected under the Acts;
- The requested accommodation is necessary to make housing available to an individual with a disability protected under the Acts;
- The requested accommodation would not impose an undue financial or administrative burden on the City; and
- The requested accommodation would not require a fundamental alteration in the nature of the City's land use policies and development standards.

There is no fee to apply for a reasonable accommodation. In order to reduce constraints to housing for persons with disabilities, the City will make its reasonable accommodation form available and easily accessible on its website under Program 8.28.11 (Provide Incentives for Disabled Access).

Allowances for Residential Care Facilities

Residential care facilities for 6 or fewer individuals are permitted in all residential and mixed use zoning districts, as well as the CS and CD districts. Residential care facilities for 7 or more individuals are allowed in the same zones, subject to a conditional use permit. Residential care facilities are subject only to the same development standards as other residential uses of the same type in the same zone.

To address potential constraints, the City will amend its Land Use Code to allow residential care facilities for 7 or more individuals with disabilities by right, subject to only objective, transparent criteria, under Program 4.2 (Adopt Development Code Updates).

Nongovernmental Constraints

Nongovernmental constraints are those that are not created by local governments but may be lessened or worsened through their actions.

Market Competition for Existing Housing

In recent years there has been an increasing transition of resident occupied housing in California, to non-residential visitor-serving uses, including conversions to second homes, vacation rentals, and most recently, time share/interval ownership uses driven by Internet-based rental platforms and a strong second home market. While pervasive, the trend is most evident in communities exemplified by Healdsburg, with high visitor appeal and nearby destination-oriented attractions. US Census data reflects this increasing level of unoccupied residences as a measure of this transition. In many of the communities thus affected public opinion reflects strong community concern related to the shift of homes once available to working families to second homes, vacation rentals, or unoccupied investment properties. There are three constraining effects arising from conversion of homes to visitor-serving units:

- By replacing resident-occupied homes with visitor units limited housing stock is taken away from our communities at a time when we need more housing, not less.
- Such uses drive up prices for the housing stock that remains, making already-expensive land and housing even more expensive driving up housing costs and displacing rural and agricultural uses.
- By replacing residents of a community with short-term visitors, nuisances for long-term residents are routinely created and the reduced resident population adversely affects schools, volunteerism, and overall community vitality.

Recognizing these impacts and building on existing City efforts, the Housing Strategy contains Housing Program 2: Preserving Existing Housing and Neighborhoods to reduce the loss of housing stock to visitor-serving uses.

Construction Costs

During the past decade, construction costs increased steadily, with sharper increases seen in more recent years, and 75 percent of developer stakeholders who responded to the Developer Survey indicated that the cost of construction materials is somewhat or highly prohibitive. Marshall & Swift, a reputable building cost estimation service, lists the July 2022 hard construction cost for a standard, four-story wrap multifamily residential structure in the City of Healdsburg at \$388 per square foot. **Figure 1** shows historical cost indices from Engineering News Record (ENR), both nationwide averages and for San Francisco (the closest city for which these indices are produced). ENR's

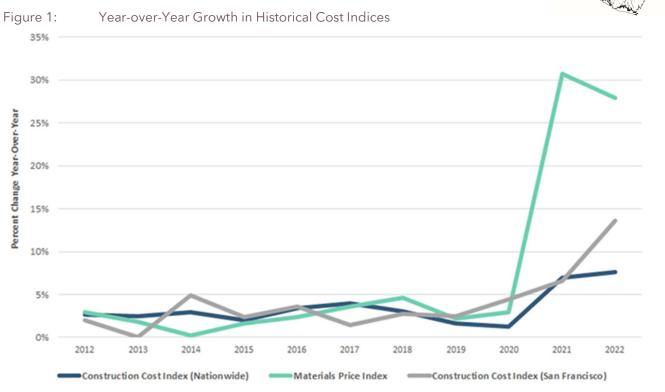


Construction Cost Index (CCI) provides an estimate that accounts for changes in key construction materials (steel, cement, and lumber) and utilizes union wages for common laborers.

Housing prices are influenced partly by the types of construction materials used. Homes in Healdsburg are generally of wood frame construction and finished with stucco or wood siding. This type of construction is the least expensive conventional method (brick, stone and concrete block are more costly). Composition shingle and built-up roofs, which are found on a large share of the community's homes, are also the least expensive, followed by wood shingle, wood shake, concrete tile, metal tile, and clay tile.

ENR's Materials Price Index isolates just the materials component, tracking the weighted price movement of steel, cement, and lumber. From 2012 through 2019, these three indices averaged about a three percent increase each year. From 2020 to 2022, the Materials Price Index skyrocketed by over 67 percent, while the CCI jumped by 22 percent nationwide and 33 percent in San Francisco. The surging cost of materials relative to overall construction costs in the past two years, is increasing the overall cost of construction. The Northern California region (using San Francisco as a proxy) has experienced greater cost increases than the nationwide average, putting further strain on project feasibility in the area.

The City can minimize construction costs by not requiring more costly kinds of building materials on residences, such as clay tile roofs. However, there is little within the City's power to affect the availability and cost of skilled labor.



Source: Engineering News Record (ENR); Economic & Planning Systems

Land Costs

Approximately 25 percent of housing costs are attributable to land costs in most real estate markets. A major component of this cost is land speculation. Land costs are also affected by such factors as zoning requirements, allowable density, the availability of infrastructure, the existence or absence of environmental constraints, and the relative amount of similar land available for development.

National trends indicate increases in residential land prices are far outpacing prices for any other land use. Between 2020 and 2021, residential land prices increased 10 percent, which is the highest reported yearover-year increase of any land type since at least 2014.⁶ Increases in residential land prices raise the cost of housing, further deterring housing development.

Redfin data reports 25 land sales in the City of Healdsburg during the last three years, with an average sales price of \$845,000 per acre and a median sales price of \$2.7 million per acre. If observed national land value trends continue, increases in land costs and subsequent increases in housing costs will continue to increase in Healdsburg along with the rest of the region, diminishing development feasibility and hindering housing production. The land cost per developed unit can be lowered through the development of higher-density housing.

⁶ 2021 Land Market Survey – National Association of Realtors: <u>https://cdn.nar.realtor/sites/default/files/documents/2021-realtors-land-market-survey-04-21-2022.pdf</u>



Development and Construction Financing

Overall, construction financing historically represents a small contribution to total housing costs, relative to land acquisition and direct construction costs. However, the rapid increases in construction costs along with inflation pressures, generally, are pushing development pro formas and development and construction financing are facing challenges. Financing costs are affected partly by how early in the development process loans must be taken out and how long the loans must be carried. Project delays can increase total interest payments, as well as create greater financial risk for a project.

Construction financing for higher-density infill projects is generally harder to obtain than for conventional single-family construction. According to the Multifamily Market Survey produced by the National Association of Home Builders, confidence in multifamily housing weakened in the first quarter of 2022 amid concerns of high construction costs and inflation.⁷

Home/Mortgage Financing

Interest rates are up compared with the past several years, but still relatively low when viewed over the long term. The average rate on a 30-year fixed mortgage is around 5.7 percent as of July 2022, up from approximately 3.5 percent earlier this year but still lower than 8.1 percent in 2000. Besides raising monthly interest payments for new buyers, higher interest rates affect existing homeowners' ability to refinance their homes.

Mortgage credit is the most difficult to obtain for first-time buyers and tighter lending standards also hinder the ability of households at the low and middle tiers to move up. The ability to accumulate a down payment remains a formidable barrier to many potential homebuyers. Low-income households find it difficult to make the transition from rental to ownership units because they cannot accumulate a down payment while renting. <u>Further information on FDIC-regulated institutions within the City is detailed in **Table 26**.</u>

The City of Healdsburg continues to partner with the Housing Land Trust of Sonoma County (HLTSC) to provide affordable homeownership opportunities through the Housing Land Trust Model. During this past planning period, the City and HLTSC were able to provide homeownership opportunities through inclusionary housing units in the Chiquita Grove and Arden subdivisions and continued to preserve the affordability of homeownership units in the Palomino Court subdivision. These units are offered to individuals and families within the 80%-160% AMI range. In addition, 20 units are currently in the planning process or under development. The homes offered through HLTSC and the City are affordable in perpetuity and payments are fixed based upon the homeowner's income.

At the other end of the affordability spectrum, between 2020-2022, the City's housing stock faced the formidable challenge of all-cash buyers that were able to move during the COVID-19 pandemic due to telecommuting. Much of the City's for-sale housing stock that transacted during this time was purchased well-above asking price, further limiting opportunities for residents to enter the market.

By definition, there is little within the City's power to address non-governmental constraints. However, the Housing Strategy contains Housing Program 4: Expanding Housing Development Capacity to increase allowable density where appropriate to reduce per unit land costs and Housing Program 5: Affordable and Middle-Income Housing Development Housing Program 5: Developing

⁷ https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics/mms/2022-q1/mms-full-report-2022q1.pdf



Housing Affordable to Very Low, Low, Moderate, and Middle-Income

<u>Households</u>, in which the City partners with the Housing Land Trust of Sonoma County (HLTSC) to provide affordable homeownership opportunities through the Housing Land Trust Model. The City also will be exploring JPA bonds as a tool to finance inclusionary units as part of larger projects.



5. FAIR HOUSING ANALYSIS

Background and Summary of Fair Housing Issues

The requirement to affirmatively further fair housing (AFFH) is derived from the Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex, and later amended to include familial status and disability.1 The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful actions to address significant disparities in housing needs and access to opportunity. These measures are intended to address disproportionate housing needs of the City's most vulnerable residents, including renters and cost burdened households.

Though housing costs continue to rise, and affordable housing is in too short supply, the City of Healdsburg has made notable efforts in the past several years to increase funding for affordable housing, preserve existing and naturally occurring affordable housing, and enhance local fair housing protections. The Assessment of Fair Housing (AFH) details the efforts and progress that the City has made to promote fair and equitable housing opportunities and highlights remaining fair housing issues to be addressed.

Housing Element Requirements

Under State law, affirmatively furthering fair housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics." Housing Element law as amended by AB 686 requires that jurisdictions incorporate AFFH into their Housing Element updates, including community engagement and outreach, an assessment of fair housing, identification of housing sites, and goals, policies, and programs that meaningfully address local fair housing issues. The City of Healdsburg is addressing these requirements through the following means:

Meaningful Engagement: Meaningful engagement and outreach efforts were conducted throughout the Housing Element process. These efforts and the incorporation of feedback received is detailed in Appendix A.

Assessment of Fair Housing: This section contains the assessment, which includes analysis of local data, regional data, trends and patterns, and local knowledge. The AFH identifies fair housing issues and contributing factors based on the analysis in five subsections:

- Enforcement and Outreach Capacity
- Segregation and Integration Patterns and Trends
- Disparities in Access to Opportunity
- Disproportionate Housing Needs, including Displacement



 Areas of Concentrated Poverty and Affluence Across Racial and Ethnic Groups

Sites Inventory: Housing sites identified to meet regional housing needs have been evaluated relative to the components of the AFH. Section 3 contains the housing sites information, maps, and a summary of this sites analysis.

Identification of Contributing Factors: Factors that contribute to fair housing issues have been identified for each area of the AFH and prioritizes these factors within **Table <u>32</u>30**.

Goals and Actions: The Housing Element includes meaningful actions with specific metrics to address identified contributing factors Implementing policies and programs are contained within Section 2 of the Housing Element and are described in relationship to contributing factors within **Table <u>32</u>30** in the AFH.

Summary of Fair Housing Issues & Contributing Factors

The Housing Element Work Group (HEWG) provided input on contributing factors to fair housing issues in Healdsburg through a point-based survey distributed to its membership. A clear top four emerged in the survey, with more than triple the points gained by subsequent responses. Discussion with the HEWG affirmed the quartet of key issues centered around supply in Healdsburg's expensive housing market, as contrasted with issues perhaps more traditionally construed as fair housing issues such as housing discrimination, disinvestment, or distress. Upon further inclusion of the City's growth management ordinance, the top five were as follows:

- Aging population excludes younger population who need help to enter the housing market
- Lack of affordable, accessible housing in a range of sizes
- Displacement of residents due to economic pressures (priced out, etc.)
- Lack of affordable units appropriately sized for large families
- Growth management ordinance (GMO)

Healdsburg's aging population excluding the younger population who need help to enter the housing market can be considered from several angles. The HEWG referenced a constrained supply by seniors lacking options for smaller units and remaining in single-family homes unevenly sized for smaller households. This is compounded by the ramifications of Proposition 13 (1978) economically precluding seniors from relocating (including downsizing) on fixed incomes. The HEWG's assessment is consistent with community feedback deprioritizing affordable housing for senior populations, perhaps in part due to the City's stronger track record of developing housing units restricted for 55+ communities in the late 20th century. The top response additionally reflects the need for younger populations to receive assistance in the form of down payment assistance or housing subsidy to live in Healdsburg.

Lack of affordable, accessible housing in a range of sizes mostly reflects a lack of both smaller and larger units. Smaller units serve households including 1- and 2-person households, single



parents, people without children, and seniors. Large households include families with more children, blended families, multi-generational families, and collective householders. This contributing factor emerges partly due to the predominance of single-family housing types in the City of Healdsburg that pose a financial barrier to access and in sizes surpassing the needs of smaller households.

<u>Displacement of residents due to economic pressures (priced out, etc.)</u> reflects the high-cost housing market of Healdsburg both pushing existing residents out and preventing more from moving in. The HEWG further noted that the displacement of residents was itself part of the occurrence of secondary homes used exclusively for vacation and investment. As noted in Section 1, the City is a destination for real estate investment that results in disparate vacancy rates surpassing those of the region.

Lack of affordable units appropriately sized for large families affirms the findings of the second contributing factor on a lack of housing in a range of sizes. The HEWG and the community noted that large families experience difficulty obtaining deed-restricted affordable housing with smaller unit counts. The HEWG additionally noted that market-rate housing with higher bedroom counts (4-bedroom and above) were uncommon and unaffordable in contrast to neighboring communities such as Windsor. This finding is supported by the difference between declining school enrollment in Healdsburg and more stable enrollment in Windsor.

Upon discussion with the HEWG, the City's <u>growth management ordinance (GMO)</u> was proposed as a fifth contributing factor. The GMO was not included within the HEWG survey yet emerged as a clear issue in surveys of both the community at large and of housing development stakeholders. This addition is consistent with the overall prioritization of housing supply considerations throughout the housing strategy and the broader Housing Element.

Fair Housing Enforcement and Outreach Capacity

Fair housing enforcement and outreach capacity relate to the ability of the City and local fair housing entities to disseminate information related to fair housing and provide outreach and education to assure community members are well aware of fair housing laws and rights. In addition, enforcement and outreach capacity include the ability to address compliance with fair housing laws, such as investigating complaints, obtaining remedies, and engaging in fair housing testing.

Compliance with Existing Fair Housing Laws and Regulations

Federal, state, and local laws make it illegal to discriminate based on a person's protected class. At the Federal level, the Fair Housing Act prohibits discrimination based on race, color, religion, sex, national origin, familial status, and disability. In California, the Fair Employment and Housing Act (FEHA) and the Unruh Civil Rights Act also make it illegal to discriminate based on marital status, ancestry, sexual orientation, source of income, or any other arbitrary forms of discrimination.⁸

⁸ Government Code Section 12955 et seq



Federal and state fair housing law both prohibit intentional housing

discrimination and prohibit any actions or policies which may have a discriminatory effect on a protected group of people. Examples of policies or practices with discriminatory effects include exclusionary zoning and land use policies, mortgage lending and insurance practices, and residential rules that may indirectly inhibit religious or cultural expression.

Both the State and the Federal government have structures in place to process and investigate fair housing complaints. In California, the Department of Fair Employment and Housing (DFEH) maintains the authority to investigate complaints of discrimination related to employment, housing, public accommodations and hate violence. The agency processes complaints online, over the phone and by mail and provides protection and monetary relief to victims of unlawful housing practices. At a federal level, HUD also processes, investigates, and enforces any complaints in violation of the Federal Fair Housing Act.

Additional State protections include the following:

The Ralph Civil Rights Act (California Civil Code Section 51.7) forbids acts of violence or threats of violence because of a person's race, color, religion, ancestry, national origin, age, disability, sex, sexual orientation, political affiliation, or position in a labor dispute.

The Bane Civil Rights Act (California Civil Code Section 52.1) provides another layer of protection for fair housing choice by protecting all people in California from interference by force or threat of force with an individual's constitutional or statutory rights, including a right to equal access to housing.

California Civil Code Section 1940.3 prohibits landlords from questioning potential residents about their immigration or citizenship status. In addition, this law forbids local jurisdictions from passing laws that direct landlords to make inquiries about a person's citizenship or immigration status.

The California Tenant Protection Act (AB 1482; California Civil Code 1946.2, 1947.12 and 1946.13)¹ prohibits tenants from being evicted without "just cause," which means that tenants who have lived in a unit for at least a year may only be evicted for enumerated reasons, such as failure to pay rent, criminal activity, or breach of a material term of the lease. The law also caps rent increases at 5% for a period of 10 years.

California Government Code Sections 11135, 65008, and 65580-65589.8 prohibit discrimination in programs funded by the State and in land use decisions.

The City of Healdsburg maintains compliance with all Federal and State fair housing laws and is committed to ensuring access to fair housing services. In addition to anti-discrimination for protected classes, the City promotes fair housing through the preservation and production of affordable housing. The following affordable housing requirements can be found in City of Healdsburg Municipal Code:

 Inclusionary Housing Ordinance: To promote the construction of affordable housing in Healdsburg, residential or mixed-use development projects with five or more dwelling units



must reserve at least 20 percent of the total number of new dwelling units for low-, moderate- or middle-income households regardless of whether it is a rental or purchase-based property.⁹

- In-Lieu Fees: As is typical throughout the region, Healdsburg allows developers of four or fewer units to pay a fee or alternatively comply through a land dedication, off-site construction of inclusionary units, or conversation of existing market-rate units to inclusionary units instead of building affordable units on site. These fees were increased by the City Council in 2019. ¹⁰
- Density-Bonuses: The City provides density bonuses for the construction of affordable housing as prescribed by state law. An additional source of affordable housing permitted in parcels zoned as residential are accessory dwelling units.9 While deed restrictions apply to these properties, the duration of the restriction is left to the discretion of the City Council and state law.¹¹
- Exemptions to Residential Growth Management Ordinance (GMO): In 2000, the voters of Healdsburg passed Measure M to establish an annual quantified limit on the rate of resident growth within the city's Urban Growth Boundary.¹² In recognition of the ordinance's limitation on affordable housing development, the law was amended in 2020 under Measure H and now exempts affordable housing units, accessory dwellings, residents care facilities, and senior care facilities. The GMO cannot be amended or eliminated through a program of the Housing Element without electoral action of the people of Healdsburg. The City is exempted from the partial prohibition on growth management ordinances stipulated by amendments to the Housing Accountability Act (SB 330), as Healdsburg is a jurisdiction in an eligible County with a voter-approved initiative prior to the year 2005.
- R-1-3, 500 Districts: In addition to the general purposes and objectives of the R-1 District, the R-1-3, 500 District was established in part to assist in promoting affordable housing by allowing residents development on smaller lots in the community.¹³

Aside from these City-level measures, the County of Sonoma also promotes the preservation and creation of affordable housing works to affirmatively further fair housing through their own policies, programs, projects, and practices.

Complaints, Findings, Lawsuits, Enforcement Actions, Settlements or Judgments Related to Fair Housing and Civil Rights

Federally, Title VIII fair housing case may be filed based on race, color, national origin, religion, sex, disability, familial status, and retaliation for filing a Fair Housing and Equal Opportunity (FHEO)

¹⁰ Id

⁹ Healdsburg Municipal Code, Chapter 20.20.030 Inclusionary housing

¹¹ Healdsburg Municipal Code, Chapter 20.20.035 Affordable housing incentives

¹² Healdsburg Municipal Code, Chapter 17.24: Growth Control Measures

¹³ Healdsburg Municipal Code, Chapter 20.08.020 Special purposes of R-1-3,500 District



complaint. Between 2013 and 2021, there have been no FHEO complaints made in the City of Healdsburg.

Fair Housing Services and Enforcement at a Local Level

The City of Healdsburg works to eliminate all unlawful discrimination in housing with respect to all protected classes so residents can obtain affordable, adequate, and accessible housing throughout the City.

Fair housing materials are distributed at City Hall. The City requires nondiscrimination clauses in rental agreements and deed restrictions for housing constructed with City agreements. The City also holds an annual Housing Fair in conjunction with Sonoma County, an event that includes elected representatives from both jurisdictions as well as housing providers, fair housing experts, and other related parties.

In addition to these actions, Healdsburg works with and benefits from local and regional organizations that increase the City's capacity for fair housing outreach and enforcement. These organizations include the following:

Sonoma County Community Development Commission (CDC): The CDC was established in 1970 and is "dedicated to creating homes for all in thriving and inclusive neighborhoods." They strive to do so by offering three core services: rental assistance, homeless services, and investment in community and affordable housing projects. The goal is to create housing that is "affordable, available, and accessible to the County's low-income and workforce residents."

Every three years, the CDC produces a new Three-Year Strategic Plan to "identify its role within the County of Sonoma and to guide its work effort in a rapidly changing environment." The most recent plan, released in August 2019, discusses recent evidence that "housing instability as measured by rent burdens, over-crowding, and concentrations of poor households in high poverty neighborhoods remains a pressing issue impeding the full recovery of the county and disproportionately impacting communities of color." To address these issues, the CDC has created a strategic plan aimed at fostering a strong team, building trust through proactive engagement, and creating pathways to housing and community resources.

Fair Housing of Sonoma County (FHOSC): The FHOSC is the designated provider of fair housing and landlord-tenant information and referral services and is under contract with the Sonoma County CDC and the City of Santa Rosa. The non-profit agency provides free information and assistance to all residents, landlords, and homeowners of Sonoma County and provides referrals to other fair housing agencies within the County.

Bay Area Legal Aid (BALA): BALA represents low and very low-income residents within their sevencounty service area, including Sonoma County. BALA is also a grantee under HUD's Fair Housing Initiatives Program (FHIP) and receives funding from HUD to assist victims of housing discrimination. Their housing practice provides legal assistance regarding public, subsidized (including Section 8 and other HUD subsidized projects) and private housing, fair housing and housing discrimination, housing conditions, rent control, eviction defense, lockouts and utility shut-offs, residential hotels,



and training advocates and community organizations. It is important to note that BALA is restricted from representing undocumented clients.

Department of Fair Employment and Housing (DFEH): The California DFEH is a state agency dedicated to enforcing California's civil rights laws. Its mission targets unlawful discrimination in employment, housing, and public accommodations, hate violence, and human trafficking. Victims of discrimination can submit complaints directly to the department. DFEH is also a HUD Fair Housing Assistance Program (FHAP) agency and receives funding from HUD to enforce fair housing laws.

Fair Housing Advocates of Northern California (FHANC): Fair Housing Advocates of Northern California is a private 501(c)(3) nonprofit organization with a stated mission of ensuring equal housing opportunity and educating communities on the value of diversity in their neighborhoods. FHANC is also a grantee under HUD's Fair Housing Initiatives Program (FHIP), which means that it receives funding from HUD to assist victims of housing discrimination. FHANC provides fair housing counseling services, fair housing complaint investigation, and assistance in filing fair housing administrative complaints to residents of Sonoma, Solano, and Marin counties. FHANC also offers counseling and education programs on foreclosure prevention and pre-purchase homebuying.

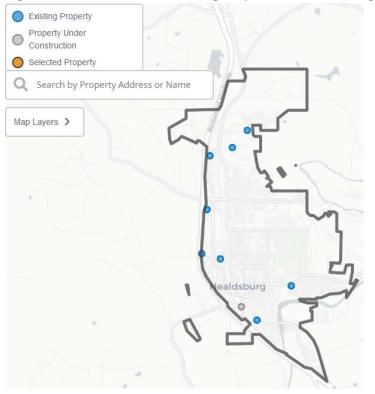
Public Housing

The City of Healdsburg does not own or operate any public housing; however, there are eight existing publicly subsidized affordable housing properties and one under construction with a 2022 completion date in the City. These properties are distributed evenly throughout the city and are situated in low, moderate, and high resource areas according to the TCAC/HCD Opportunity Maps:

Project Name	Housing Type	Affordable Unit Count	TCAC/HCD Opportunity Map Designation
Canyon Run Apartments	Family	51	High Resource
Fitch Mountain Terrace	Elderly	40	Moderate Resource
Foss Creek Court	Family	63	Low Resource
Harvest Grove Apartments	Family	44	Low Resource
Healdsburg Family Apartments	Family	24	Low Resource
Mill District Lot 7 (est. 2022)	Family	40	Low Resource
Oak Grove Apartments	Family	80	High Resource
Park Land Senior Apartments	Seniors	22	High Resource
Riverfield Homes	Family	17	Low Resource

Table 16: Affordable Housing Projects in Healdsburg

Figure 2: Affordable Housing Properties in Healdsburg





Among other outcomes, these affordable units are estimated to generate the following outcomes: \$520 per month in median household rent savings; \$248,000 per year in medical cost savings from living in a lower poverty community; 7 MTCO2e per year in GHG emission reductions from proximity of transit and 10 MTCO2e per year in GHG emission reductions from proximity to jobs; 26 supported jobs per year; \$1 million per year in generated wages and business income; and \$381,000 per year in state and local taxes.¹⁴

Housing Choice Vouchers

The Housing Choice Voucher (HCV) Program Section 8 is the federal government's major program for assistant very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants can find their own housing, including single-family homes, townhouses, and apartments. In general, qualified household income may not exceed 50% of the median income for the county and at least 75 percent of locally administered vouchers must go to applicants whose incomes do not exceed 30 percent of the area median income.

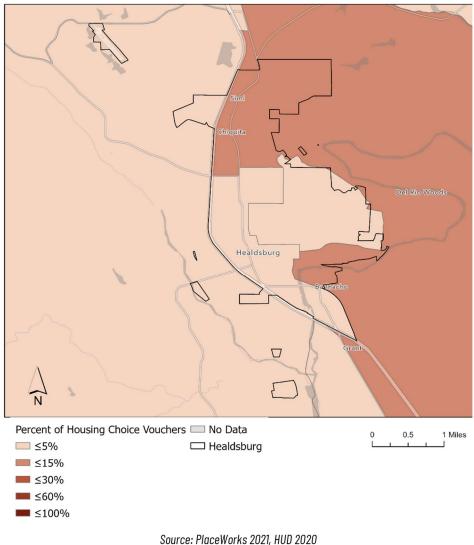
HCVs are administered locally through the Sonoma County Housing Authority (SCHA). To become a program participant, families and individuals must apply during the waiting list application period. As of July 2022, the Sonoma County Housing Authority HCV Waitlist is currently closed. Lists are expected to open approximately every three to five years. While the list is open, 750 applications are randomly selected and assigned a place in line. Once a name reaches the top of the Waiting List, the applicant is interviewed to determine eligibility. Once enrolled, the HCV Program provides monthly rental payments to private landlords on behalf of program participant and the participant pays the difference between the actual rent charged and the amount subsidized by the program. Program participants can move without the loss of housing assistance.

Within the City of Healdsburg, the greatest shares of HCVs as a percent of renter-occupied housing units are located in the census tract that intersects the most northern part of the City along with a small section in the southeast (**Figure 3**).

¹⁴ Affordable Housing Map & Benefits Calculator



Figure 3: Housing Choice Vouchers as a Percent of Renter-Occupied Housing Units by Census Tract, 2020



Housing Enforcement and Outreach Capacity: Conclusion and Contributing Factors

The City of Healdsburg fully complies with fair housing regulations at the state and federal levels and continually strives to promote fair housing practices throughout the City.

Integration and Segregation Patterns

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. Integration in the equal distribution of demographic groups within a geographic location or community. This section of the Assessment of Fair Housing will assess the extent of racial and income segregation and integration both on the neighborhood level and vis-à-vis the region.



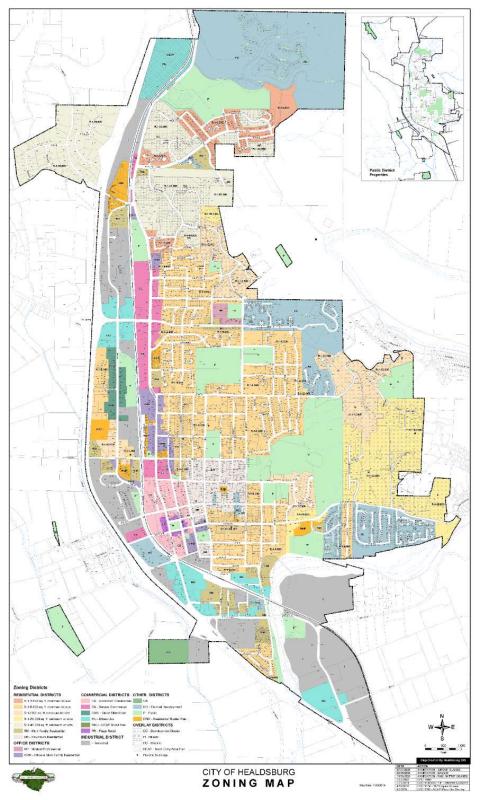
Segregation is partly a result of historical exclusionary zoning practices, which is the use of zoning ordinances to exclude certain types of land uses and/or races and ethnicities from a given community. Exclusionary zoning was introduced in the early 1900s, typically to prevent racial and ethnic minorities from moving into middle- and upper-class neighborhoods. In the United States, exclusionary zoning is standard in almost all communities and is used to limit the supply of available housing units, such as prohibiting multifamily residential dwelling and minimum lot size requirements.

While not intended to be exclusionary, Healdsburg's zoning code designates most of the city as "R-1 One Family Residential Districts" (**Figure 4**) which constitute over 80 percent of zoned land. This type of zoning is inherently exclusionary given that it prevents the occurrence of other, more affordable types of residential uses. The City of Healdsburg has taken steps to address past exclusionary zoning practices with each update of the Housing Element.

The northern end of Healdsburg is the most feasible and safe place that medium- to high-density housing can be developed in Healdsburg's high-resource areas, due to wildfire-related environmental constraints and a lack of large lots in eastern portions of Healdsburg among the foothills of Fitch Mountain. The amenities such as parks and infrastructure developed among a confluence of high-scale tourism and housing for a variety of income levels reflect the conscious effort of new development in high resource areas to include housing opportunity within a livable built environment for all residents and visitors of north Healdsburg. Program 4.4 is included in the Housing Element to continue the success of project-based amenities with a North Healdsburg Avenue Plan focusing on the arterial directly south of the developments in progress comprising most of the City's 6th Cycle Sites Inventory.



Figure 4: Healdsburg Zoning Map

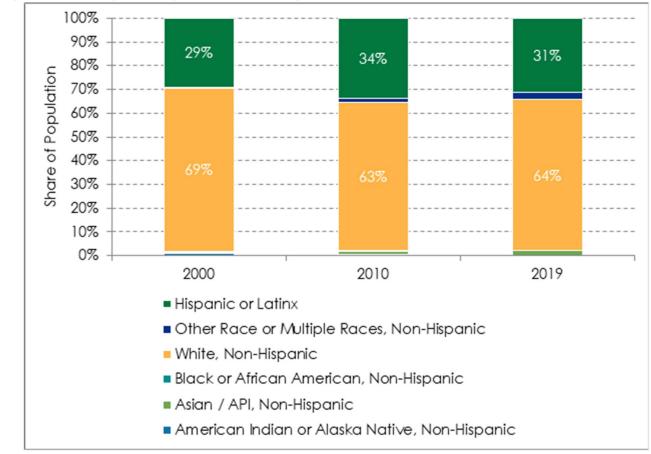


Source: City of Healdsburg (healdsburg.gov)



Race and Ethnicity

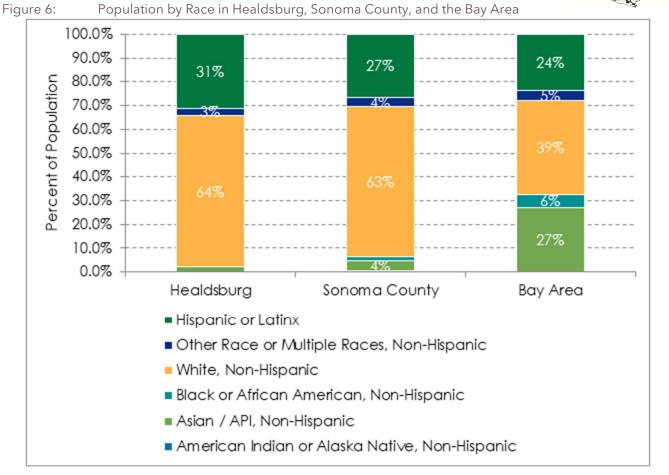
Roughly two-thirds of the population of Healdsburg is white, making up the largest group. The Hispanic or Latino population is the second largest group, making up roughly one-third of the total population. Between 2000 and 2020, the White population declined by five percent while the Hispanic or Latino population increased by two percent. Although still marginal, the Asian and Other Race or Multiple Races populations also increased slightly since 2000.





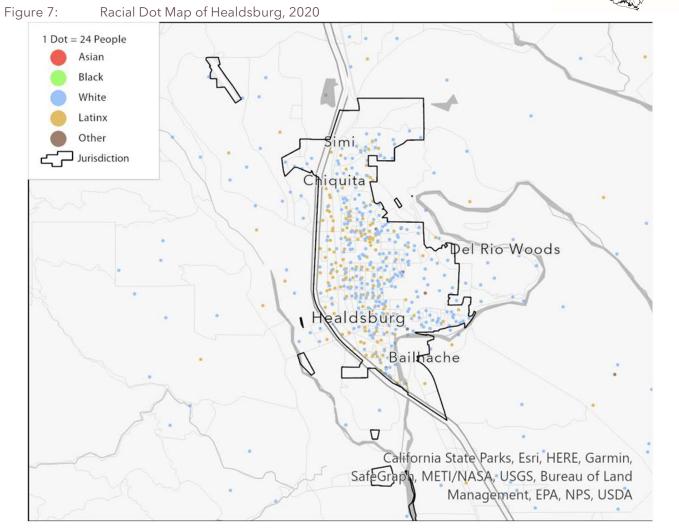
Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

In Sonoma County and the Bay Area region, two of the most prevalent racial and ethnic groups are also White and Hispanic or Latino. Healdsburg has a larger proportion of White residents than both Sonoma County and the Bay Area and a larger proportion of Hispanic/Latino residents. Both Healdsburg and Sonoma County have significantly smaller Asian populations than the Bay Area as a whole. (**Figure 5**).



Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

Racial dot maps are useful for examining neighborhood racial segregation within a jurisdiction. The racial dot map of Healdsburg visually demonstrates the predominance of White residents followed by Latino populations. White residents, represented by the blue dots in **Figure 7**, are evenly distributed throughout the City while Latino residents, represented by mustard-colored dots, are more concentrated in the western part of the City along the Highway 101 corridor. These concentrations coincide with the location of most mobile home parks and rental apartments, yet do not coincide with income distribution to a degree of clear correlation.



Source: CA State Parks, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

At the regional level, segregation is measured between cities instead of between neighborhoods. The racial dot map below presents the spatial distribution of racial groups in Healdsburg as well as in nearby Bay Area cities and unincorporated jurisdictions. The concentration of Hispanic/Latino populations in the western part of the City is even more evident through this view.



1 Dot = 52.8 People Asian Geyserville Black White Latinx Other Chiquita Healdsbur 20 0 Nindsor East Windsor SONOMA California State Parks, Esri, HERE, Garmin, feGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA Guerneville

Figure 8: Racial Dot Map of Healdsburg and Surrounding Area, 2020

Source: CA State Parks, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

The Othering & Belonging Institute's Divergence Index measures the degree of "divergence" in demographics from a particular geography (i.e., a city) to another larger geography such as a census tract to a county. Index values range from zero to one, with higher values indicating greater divergence and more segregation. Healdsburg has an Intermunicipal Divergence (i.e., segregation of residents from the larger region) value of 0.2953. This constitutes the highest level of racial segregation according to the index, along with most other jurisdictions in Sonoma County. However, further data produced by the Othering & Belonging Institute rated Sonoma County jurisdictions as the among most integrated jurisdictions in the Bay Area despite demarcation as exhibiting a high or moderate level of segregation in the earlier report.



Cities/Towns	Inter-municipal Divergence	Population	Level of Segregation		
Sebastopol	0.4160	7,379	High		
Sonoma	0.3505	10,648	High		
Cotati	0.2510	7,265	High		
Petaluma	0.2257	57,941	High		
Rohnert Park	0.1941	40,971	Moderate		
Healdsburg	0.2953	11,254	High		
Cloverdale	0.2998	8,618	High		
Santa Rosa	0.1750	167,815	Moderate		
Source: Othering & Belonging Institute Racial Segregation in the San Francisco Bay Area, Part					

 Table 17:
 Intermunicipal Divergence of Municipalities in Sonoma County

Another way to measure levels of segregation is by using an isolation index. The isolation index compares each neighborhood's composition to the jurisdiction's demographics. This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups. Isolation indices indicate the potential for contact between different groups and can be interpreted as the experience of the average member of that group.

Within Healdsburg, the most isolated racial group is white residents. Healdsburg's isolation index of 0.614 for white residents means that the average white resident lives in a neighborhood that is 61.4 percent white. Other racial groups are less isolated, meaning they are more likely to encourage other racial groups in their neighborhoods. Among all racial groups in Healdsburg, the white population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.



Table 18: Racial Isolation Index Values for Segregation within H	Healdsburg
--	------------

	Healdsburg			Bay Area	
Race	2000	2010	2020	2020	
Asian/Pacific Islander	0.008	0.017	0.016	0.245	
Black/African American	0.003	0.006	0.005	0.053	
Hispanic/Latino	0.329	0.348	0.397	0.251	
White	0.722	0.688	0.614	0.491	
Source: IPUMS National Historical Geographic Information System (NHGIS), U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010,					

Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004

While the racial isolation index measures the segregation of a single group, the dissimilarity index measures segregation between two different groups. **Table 179** provides the racial dissimilarity index values indicating the level of segregation in Healdsburg between white residents and residents who are Black, Hispanic/Latino, or Asian/Pacific Islander. The table also provides the racial dissimilarity index between white residents and all residents of color in the jurisdiction, and all racial dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In Healdsburg, the highest segregation is between Hispanic/Latino and white residents. The dissimilarity index of 0.278 means that 27.8 percent of Hispanic/Latino or white residents would need to move to a different neighborhood to create perfect integration between the two groups. The dissimilarity index for the average Bay Area jurisdiction is 20.7% which means that Healdsburg has less integrated neighborhoods on average.



	Healdsburg	9		Bay Area Average
Race	2000	2010	2020	2020
Asian/Pacific Islander vs. White	0.078*	0.224*	0.082*	0.185
Black/African American vs. White	0.233*	0.155*	0.209*	0.244
Hispanic/Latino vs. White	0.295	0.261	0.278	0.207
People of Color vs. White	0.267	0.232	0.244	0.168

Table 19: Racial Dissimilarity Index Values for Segregation Within Healdsburg

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S> Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

The Theil's H Index offers the clearest summary of overall segregation within a jurisdiction. This index measures the diversity of each neighborhood compared to the entire jurisdiction. Neighborhoods are weighted by their size so that larger neighborhoods play a more significant role in determining the total measure of segregation. The index ranges from zero to one. A value of zero means that all neighborhoods within a city have the same demographics as the city. A value of one means that each group lives exclusively in their own, separate neighborhood.

The "Bay Area Average" column in **Table 1820** below provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in Healdsburg stayed the same suggesting that there is now about the same amount of neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for racial segregation in Healdsburg was higher than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in Healdsburg is more than in the average Bay Area city.

Table 20:	Theil's H Index '	Values for Racial	Segregation	within Healdsburg
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	Healdsburg			Bay Area
Index	2000	2010	2020	2020
Theil's H Multi-racial	0.056	0.049	0.047	0.042

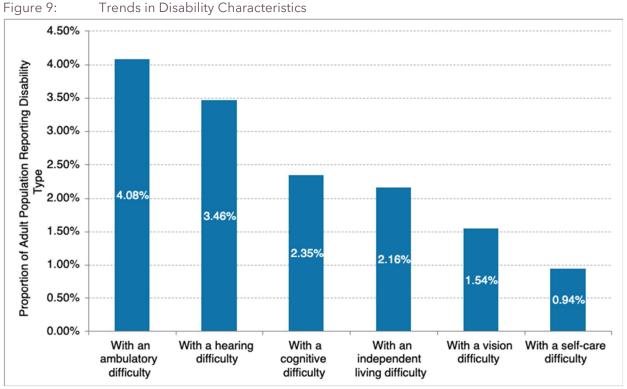
Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004



Persons with Disabilities

The Americans with Disabilities Act (ADA) defines a disability as a "physical or mental impairment that substantially limits one or more major life activities." California law requires Housing Elements to examine the housing needs of people with developmental disabilities which are defined as severe, chronic, and attributed to a mental to physical impairment that begins before a person turns 18 years old.

According to 2019 U.S. Census data, 1,128 individuals over the age of 18 reported a disability of any kind in Healdsburg which constitutes 10 percent of the population. **Figure 9** breaks down the proportion reported disability type.



Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102-07

In Healdsburg, there are significant differences in disability status by race and ethnicity. White individuals are far more likely to have disabilities than are Asian individuals, with the incidence of disabilities among the populations of Hispanic/Latino residents in between. It is possible that the small number of Asian residents along with disparities in age (which are highly correlated with disability status) explain some of the disparity.

Table 21:

Disability Status by Race

CITY OF HEALDSBURG
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Race or Ethnicity	Total Population	# with a Disability	% with a Disability		
Total Non- Institutionalized Population	11,788	1,128	9.6%		
White Alone, Not Hispanic or Latino	7,497	791	10.6%		
Black or African American Alone*	0	0	N/A		
Asian Alone*	211	0	0.0%		
Hispanic or Latino (of any race)	3,675	274	7.5%		
Source: Decennial Census; ACS 2015-2019 5-Year Estimates.					
*As a result of how ACS Table S1810 disaggregates race and ethnicity data for persons with disabilities, Black and Asian population estimates are reflective of all persons who identify as Black or Asian alone, including those who also identify as Hispanic or Latino.					

The share of the non-institutionalized population with a disability in Healdsburg is two percent lower than that of Sonoma County (12%) while it is on par with that of the Bay Area (10%).

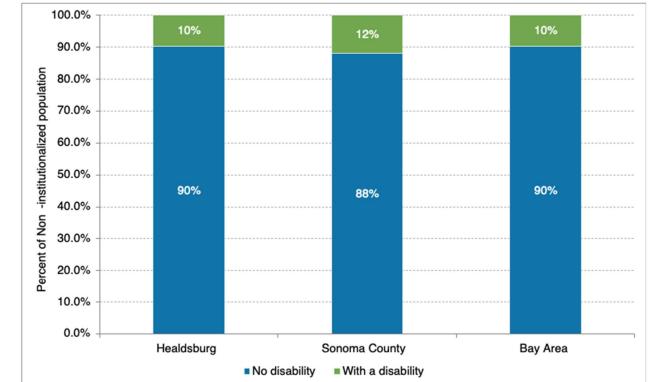


Figure 10: Population by Disability Status

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18101

Familial Status

Familial status refers to the presence of children under the age of 18, whether the child is biologically related to the head of household, and the marital status of the head of households. It is important to analyze familial status to identify areas where a city might need to focus resources (i.e., single-parent households, female-headed, large families, and/or elderly persons living alone).

Individuals living with a spouse often have more economic opportunities as they may have higher combined household incomes. Conversely, single-parent households are more likely to have lower per-capita income and higher living expenses, such as daycare. They might also have more challenges with finding affordable, decent, and safe housing and may be at higher risk of rental discrimination. At times, landlords may be concerned about the ability of such households to make regular rent payments and may require more stringent credit check or higher security deposits for single parent applicants.

Married-couple family households are the most common family arrangement in Healdsburg, Sonoma County, and the Bay Area, making up roughly half of households in all three places. The second most common type of household is a single person living alone. In Healdsburg, Sonoma County, and the Bay Area, there is twice the share of female-headed households (10%) than there are male-headed households (5%).

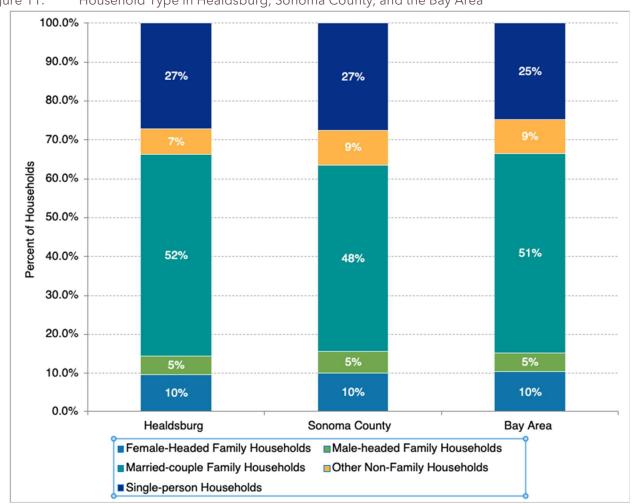


Figure 11: Household Type in Healdsburg, Sonoma County, and the Bay Area

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001

Household type has implications on the housing that a family can afford. Married-couple family households are the most likely to own their homes in Healdsburg while householders living alone are more like to rent. More than twice the number of female-headed family households rent their homes (17%) than those who own (5%).



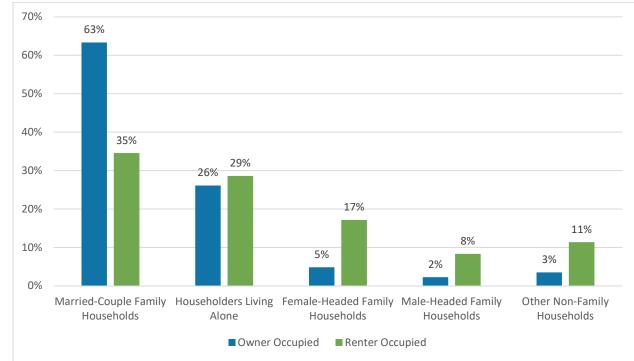


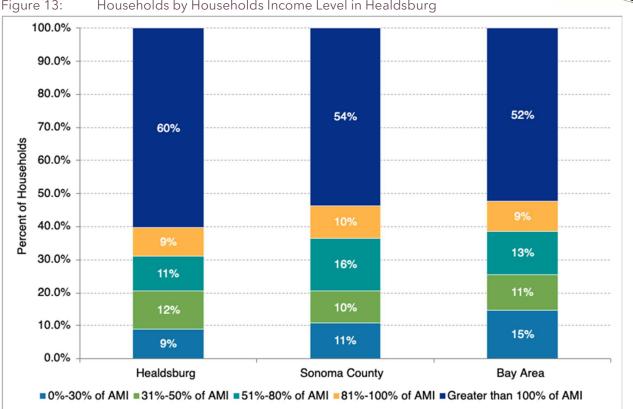
Figure 12: Housing Tenure by Household Type in Healdsburg

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25011

Income

Household income is the principal factor in determining a household's ability to balance housing costs with other basic life necessities. Households with lower incomes are limited in their ability to balance housing costs with other needs, and often face additional barriers when seeking adequate housing. The relationship between household income, household type, race/ethnicity, and other protected classes often exacerbates fair housing issues. Identifying geographies and individuals with a low- to moderate- income (LMI) is important to overcome patterns of segregation. HUD defines LMI areas as a Census tract or block group where over 51 percent of the population is LMI, with income at or below 80 percent of the Area Median Income.

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California remains one of the most economically unequal states in the nation and the Bay Area region has the highest income inequality in the State. In Healdsburg, 60 percent of households earn more than the Area Median Income (AMI) (the highest income group) which is a larger proportion than in Sonoma County and the Bay Area. The rate of Extremely Low-Income (0-30% AMI) households in Healdsburg is six percent lower than the Bay Area average (see **Figure 13**).



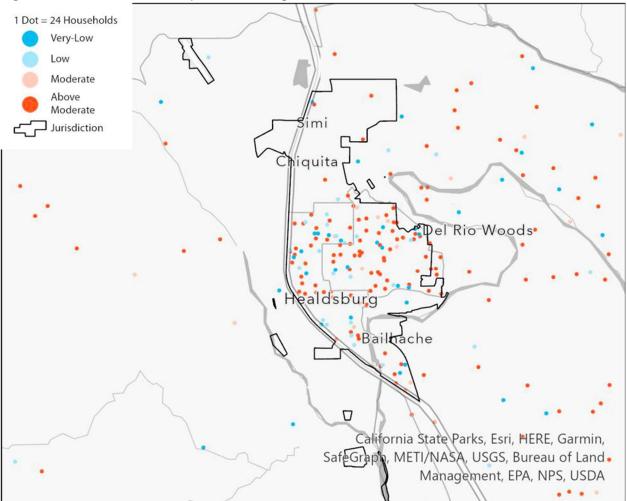
Households by Households Income Level in Healdsburg Figure 13:

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Income segregation can be measured using similar indices as racial segregation. Dot maps are equally useful for identifying segregation between income groups. The income dot map of Healdsburg in Figure 124 offers a visual representation of the spatial distribution of income groups within the jurisdiction. Lack of a pattern or clustering indicates less income segregation. Conversely, segregation measures may be higher when clusters are apparent. There are no notable income clusters in or around the City of Healdsburg.







Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Income Isolation Index values for Healdsburg and the average Bay Area jurisdiction are present in **Table 202** below. Above Moderate-income residents are the most isolated income group in Healdsburg. The isolation index values of 0.456 in 2015 means that the average above moderate-income resident in Healdsburg lives in a neighborhood that is 45.6% above moderate-income. The isolation levels of low- and moderate-income groups has changed the most over time, both becoming less segregated between 2010 and 2015.



Table 22:Income Group Isolation Index Values in Healdsburg (2010, 2015) andAverage Bay Area Jurisdiction (2015)

	Healdsburg		Bay Area Average
Income Group	2010	2015	2015
Very Low-Income (<50% AMI)	0.307	0.260	0.269
Low-Income (50%-80% AMI)	0.193	0.158	0.145
Moderate-Income (80%-120% AMI)	0.149	0.212	0.183
Above Moderate-Income (>120% AMI)	0.435	0.439	0.507
Source: ACS 5-Year 2011-2015 Low- and Moderate-Income Summary Data, ACS 5-Year 2006-2010 Low- and Moderate-Income Summary Data			

Income levels also have implications on housing tenure. In Healdsburg, lower income households are more likely to rent than own while the inverse is true of higher income households as demonstrated in **Figure 15**. Out of all jurisdictions in Sonoma County, Healdsburg tops the list of single-family homes with the largest share of renter-occupied units at over 65 percent. Rental complexes (i.e., duplexes, triplexes, and quadplexes) make up one of the largest shares of homes in

Healdsburg at 18 percent.¹⁵

¹⁵ State of Housing in Sonoma County 2022

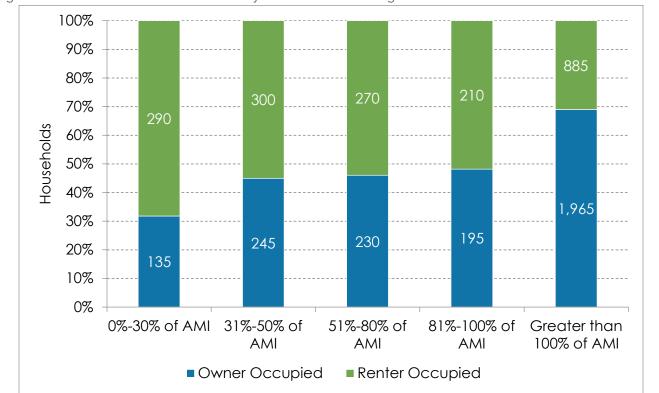


Figure 15: Household Income Level by Tenure in Healdsburg

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Table 213 below provides the dissimilarity index values indicating the level of segregation in Healdsburg between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). Between 2010 and 2015, segregation between lower-income residents and residents who are not lower-income decreased. The income segregation in Healdsburg was also lower than the average value for Bay Area jurisdictions in 2015.

Table 23:	Income Group Dissimilarity	Index Values for Segregation v	within Healdsburg

	Healdsburg		Bay Area Average
Income Group	2010	2015	2015
Below 80% AMI vs. Above 80% AMI	0.192	0.166	0.198
Below 50% AMI vs. Above 120% AMI	0.178	0.209	0.253
Source: ACS 5-Year 2011-2015 Low- and Moderate-Income Summary Data, ACS 5-Year 2006-2010 Low- and Moderate- Income Summary Data			



<u>Poverty</u>

The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who classifies as impoverished. If a family's total income is less than the family's threshold, then that family and every individual in it is living in poverty. Many households with multiple wage earners-including food service workers, full-time students, teachers, farmworkers, and healthcare professionals-can fall into lower AMI categories due to stagnant wages in lower-wage industries. Of the population for whom poverty status is determined in Healdsburg (684 out of 11.8k people), 5.81% of the population lives below the poverty line.¹⁶

Across the region, state, and country, people of color are more likely to experience poverty and financial instability due to the lasting impacts of historical housing policies that exclude them from opportunities extended to white residents. These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness (**Table 22**). Other Race or Multiple Races, Asian, and Hispanic/Latino populations are the most likely to experience poverty in Healdsburg.

Racial / Ethnic Group	Percentage
Other Race or Multiple Races (Hispanic and Non-Hispanic)	8.9%
Asian / API (Hispanic and Non-Hispanic)	8.1%
Hispanic or Latino	6.3%
White, Non-Hispanic	5.8%
White (Hispanic and Non-Hispanic)	5.0%
Black or African American (Hispanic and Non-Hispanic)	0.0%
American Indian or Alaska Native (Hispanic and Non-Hispanic)	0.0%
U.S. Census Bureau, American Community Survey 5-Year Data (2020), Table S1701	

Table 24: Poverty Status by Race in Healdsburg

As of 2019, Healdsburg had a smaller proportion of residents living in poverty compared both the State of California and Sonoma County.

¹⁶ U.S. Census Bureau ACS 5-year Estimate, 2019



Table 25:Percent of Population Below Poverty Level for Whom Poverty Status isDetermined in California, Sonoma County, and Healdsburg (2019)

	California	Sonoma County	Healdsburg	
% of population below poverty	13.4%	9.2%	5.8%	
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2019), Table S170				

Racially & Ethnically Concentrated Areas of Poverty (R/ECAP) and Affluence (RCAA)

The U.S. Department of Housing and Urban Development (HUD) has determined that whites are the most racially segregated group in the United States and "in the same way neighborhood disadvantage is associated with concentrated poverty and high concentrations of people of color, conversely, distinct advantages are associated with residence in affluent, white communities." HUD defines census tracts with a majority non-White populations (greater than 50 percent) that have either a poverty rate that exceeds 40 percent or is three times the average tract poverty rate for the metro/micro area, whichever threshold is lower, as Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs). There are no R/ECAPS in the City of Healdsburg.

While RECAPs have long been the focus of fair housing policies, racially concentrated areas of affluence should also be analyzed to ensure housing is integrated, a key to fair housing choice. Scholars at the University of Minnesota Humphrey School of Public Affairs have created the Racially Concentrated Areas of Affluence (RCAAs) metric to tell the story of segregation more fully in the United States. Based on their research, RCAAs are defined as census tracts where 1) 80 percent or more of the population is white, and 2) the median household income is \$125,000 or greater. There are no RCAAs in Healdsburg, however it does border a RCAA-designated census tract directly south of the City.

In February 2017, the California Fair Housing Task Force (Task Force) was tasked with creating a map that more effectively reflects that level of racial and ethnic diversity in many parts of California. The map that was created filters areas that are both non-whites racially segregated and high poverty. Census tracts and rural block groups that have both a poverty rate of over 30 percent and that are designated as being racially segregated are categorized by this statewide standard as "High Segregation and Poverty." There are no Block Groups of High Segregation and Poverty in Healdsburg.

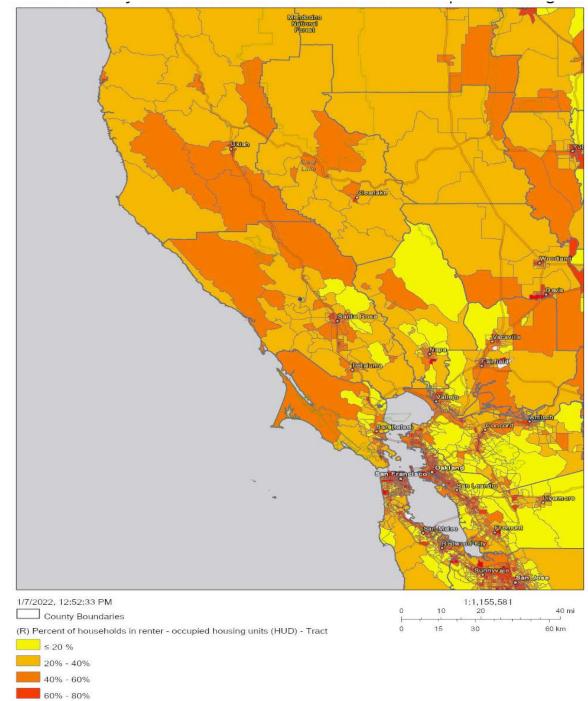
<u>Tenure</u>

In 2019, 60.5 percent of housing units in Healdsburg were occupied by the owner. This percentage declined from the previous year's rate of 61.3 percent. This is lower than the national average of 64.1 percent.

In Sonoma County, the location of renters largely correlates with patterns of racial and ethnic segregation. The highest concentration of renters is near Santa Rosa and Petaluma. There are fewer renters in the northeast portion of the county.



Figure 16: Sonoma County Percent of Households in Renter-Occupied Housing Units



> 80%



Disparities in Access to Opportunity

Racial and economic segregation can lead to vastly unequal access to opportunities within community such as access to high performing schools, good paying jobs, public transportation, parks and playgrounds, clean air and water, public safety, and other resources. This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes including lower educational attainment, higher morbidity rates, and higher mortality rates.

This section of the Assessment of Fair Housing will identify socioeconomic barriers related to education, environment, employment, and transportation that could negatively impact certain communities in the City of Healdsburg.

The TCAC Opportunity Areas 2022 Composite Score map (**Figure 17**) summarizes the overall resource level of each census tract. Resource levels in Healdsburg range from Low to High. The Low Resource areas are concentrated in the western part of the city adjacent to Highway 101. This is also where Hispanic or Latino populations are clustered on the Racial Dot Map.

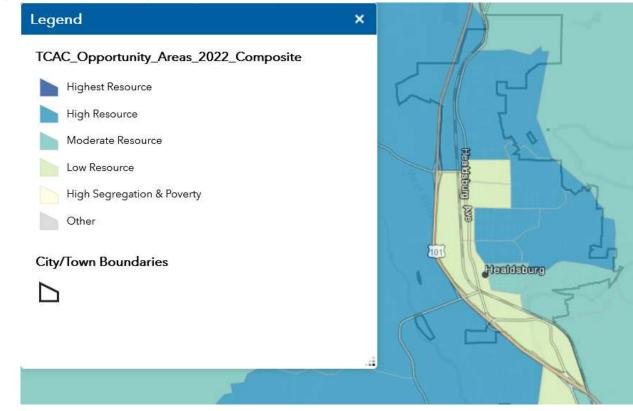


Figure 17: TCAC Opportunity Areas Composite Scores, 2022

Source: TCAC/HCD Opportunity Area Maps



<u>Education</u>

TK-12 education for the City of Healdsburg is provided by the Healdsburg Unified School District. The elementary program consists of one elementary school, Healdsburg Elementary School (grades TK-2) and Fitch Mountain Campus (grades 3-5). <u>The district previously included Healdsburg Charter</u> (grades K-5), formed in 2011 and closed in 2020 due to disparities in race and student achievement. In 2018-19, Latinos accounted for 88% of the student population at Healdsburg Elementary, and only 41% at Healdsburg Charter, according to the California Department of Education. In response to inequities identified by community input and a district-sponsored study, kindergarten classes were combined in 2019, followed by a complete merger of the two campuses the following year.

The secondary program consists of three schools, Healdsburg High School (9-12), Marce Becerra Academy (alternative high school, grades 11-12), and Healdsburg Junior High (grades 6-8). In 2021, the high school graduation rate was 90 percent, slightly higher than the statewide average of 86.8 percent.¹⁷ White students had the highest rates of graduation (92.8%) followed by Hispanic students (87.0%). English learners and students with disabilities have notably lower graduation rate, 57.1 percent, and 57.7 percent, respectively. The Healdsburg High School graduation rate (91%) is comparable to Windsor High School (95%) to the south, and substantially higher than Cloverdale High School (75%) to the north.

The District has experienced notable declines in public school enrollment over recent years. The California Education Data Partnership notes a steady 21.4% decline in cumulative district enrollment from 2017 to 2021, compared to a 10.5% countywide decline over the same period. The State of Housing in Sonoma County report identifies Healdsburg as having the largest numerical decline countywide in households with children, as 1100 fewer Healdsburg households included children in 2019 than in 2000. Healdsburg's decline is reflected in Sebastopol (the highest percentage loss and 1000 fewer homes with children in 2019), whereas Windsor noted an increase from 74% to 79%. This decline has been linked to the prohibitively high cost of housing for families in Healdsburg and was noted by the Housing Element Work Group (HEWG) in its identification of *lack of affordable units appropriately sized for large households* as a contributing factor to fair housing issues.

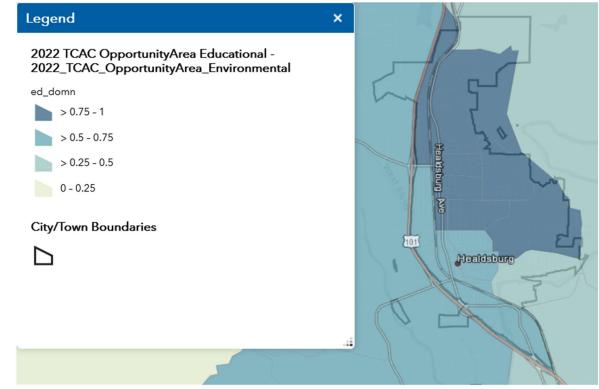
2021 TCAC Opportunity Areas Education Scores provides an index for measuring the level of educational outcomes within census tracts. The higher the score, the more positive the outcomes. All census tracts that intersect Healdsburg rank show mostly positive education outcomes across the City (**Figure 18**). The State of Housing in Sonoma County 2022 report notes that Healdsburg has among the highest graduation rates in the County at above 40 percent, along with Sebastopol, Sonoma, and Petaluma, each have college education rates of 40 percent and higher which is the highest in the county. In the 2019 American Community Survey, greater disparities were reported in four-year college graduation rates (35.4% and 51.0%) than graduate education rates (14.8% and 17.7%) when comparing the City's central and eastern Census tracts, respectively. The northern Census tract was between the two on four-year college rates (44.6%) yet had the lowest graduate

¹⁷ California Department of Education, School Dashboard Additional Reports and Data



education rate (14.4%). These are all comparable to or higher than countywide figures of 37.8% bachelor's degree attainment and 14.6% graduate degree attainment.

Figure 18: TCAC Opportunity Areas (2022) Education Score by Tract in Healdsburg



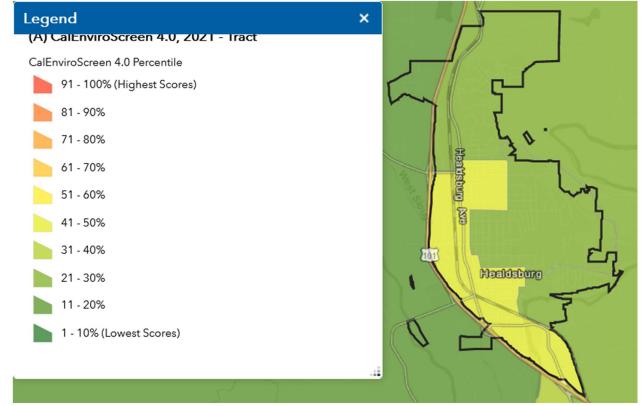
Source: https://belonging.berkeley.edu/2022-tcac-opportunity-map

Access to Healthy Environment

In February 2021, the California Office for Environmental Health Hazard Assessment (COEHHA) released the fourth version of CalEnviroScreen, a tool that uses environmental, health, and socioeconomic indicators to map and compare community environmental scores. A community within the 75th percentile or above is one with higher levels of pollution and/or has other negative environmental traits and is considered a "disadvantaged community." All census tracts within Healdsburg fall between the 21st and 50th percentile and therefore do not contain any Disadvantaged Communities by COEHHA metrics.







Source: CalEnviroScreen 4.0 - Feb 2021 Update

The California Healthy Places Index (HPI) combines 25 community characteristics like access to healthcare, housing, education, and more, into a single indexed "HPI" score. The healthier a community, the higher the HPI score. The HPI applies a positive frame focusing on assets a community has have they can build on, rather than what is lacking. According to this index, Healdsburg has healthier clean environment conditions than 87.0 percent of other California Cities and Towns.

Of the factors that make up the Clean Environment score, the Diesel PM indicator, which represents the average daily amount of particulate pollution from diesel sources, ranks the lowest. The three other indicators, Drinking Water Contaminants, Ozone, and PM 2.5, rank within the 75th and 100th percentile suggesting relatively healthy outcomes in those areas of environmental health.



Figure 20: California Healthy Places Index, Healdsburg



^

This City / Town has healthier clean environment conditions than **87.0%** of other California Cities / Towns.

Indicator	Value	Percentile Ranking
Diesel PM	0.193 kg/day	18.7
Drinking Water Contaminants	s 263	88.5
Ozone	0.038 ppm	84.7
PM 2.5	6.57 μg/m³	79.9 💻 🏚 👀

Source: The California Healthy Places Index (HPI), Public Health Alliance of Southern California

Transportation Opportunities

Public transit is of paramount importance to households affected by low incomes and rising housing prices. Public transit should link lower-income persons, who are often transit dependent, to major employers where job opportunities exist. Access to employment via public transportation can reduce welfare usage rates and increase housing mobility, which enables residents to locate housing outside of traditionally lower- and moderate-income neighborhoods. The lack of a relationship between public transit, employment opportunities, and affordable housing may impede fair housing choice because persons who depend on public transit will have limited choices regarding places to live. In addition, elderly and disabled persons also often rely on public transit to visit doctors, go shopping, or attend activities at community facilities. Public transit must provide a link between job opportunities, public services, and affordable housing to help ensure that transit-dependent residents have adequate opportunity to access housing, services, and jobs.

Healdsburg currently lacks extensive access to major public transit when compared to jurisdictions throughout the greater Bay Area, and 0.7% of the workforce lives in a household without access to a motor vehicle according to the 2021 American Community Survey. **Figure 25** and **Figure 26** in the Economic Devlopment and Access to Jobs section provide further context on jobs proximity measured by commute time and availability of jobs within 45 minutes of transit. These data reflect that Healdsburg has among the best transportation access to employment in Sonoma County despite growing transit network capacity.



Sonoma Marin Area Rail Transit (SMART) is in the process of expanding its

current light rail route from the Larkspur Ferry Terminal to the Sonoma County Airport. Litigation contesting the eligibility of local ballot measure funding to fund the northern extension was dismissed by the California Supreme Court in February 2023, and SMART is pursuing Transit & Intercity Capital Rail (TIRCP) and other State funds to finance the planned extension. Contingent upon successful funding, SMART estimates completion of service to Windsor in 2025 and Healdsburg in 2026.

Sonoma County Transit (SCT) provides public transportation services to the City of Healdsburg and other jurisdictions within the County (**Figure 1822**). Beginning July 2018, the City of Healdsburg began offering free rides on SCT's Route 67 "Healdsburg Shuttle" and a volunteer drive program for older adults.¹⁸ SCT's Route 60 runs along Highway 101 and connects Healdsburg residents to Santa Rosa, Windsor, and Cloverdale.

SCT supports the needs of the disabled community by ensuring that all bus lines are accessible through wheelchair lifts, with at least two on each bus. In addition, the agency offers half-priced fares to youth between the ages of five and 18, senior passengers 65 years and over, Medicare card holders, children under the age of five, U.S. veterans, college students, and disabled passengers with identification.

The County of Sonoma partners with several public and nonprofit agencies to provide senior transportation support. This includes the Medical Transportation Management (MTM), Non-Emergent Medical Transportation (NEMT), Sonoma County Area Agenda on Aging, Center for Volunteer and Nonprofit Leadership, and others.

The California Health Places Index (HPI) uses Active Commuting and Automobile access as indicators of healthy transportation conditions in a jurisdiction. The City of Healdsburg has healthier transportation conditions than 94.0% other California cities according to this index. 96.6 percent of the local population has automobile access and 10.5 percent of the population actively commute.

¹⁸ <u>City of Healdsburg website, "Transportation Options"</u>



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Figure 21: California Healthy Places Index: Transportation in Healdsburg

Transportation

This City / Town has healthier transportation conditions than **94.0%** of other California Cities / Towns.

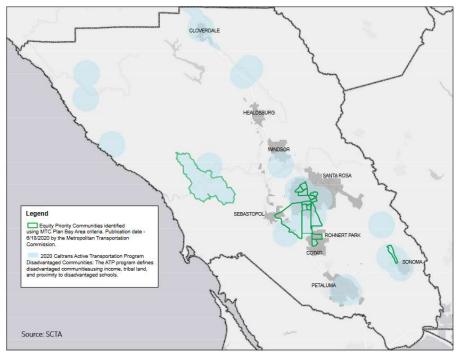
Indicator	Value	Percentile Ranking
Automobile Access	96.6%	63.4
Active Commuting	10.5%	84.9

Source: The California Healthy Places Index (HPI), Public Health Alliance of Southern California

Sonoma County Transportation Authority (SCTA) and the Regional Climate Protection Authority (RCPA) outline current and future options for public transit in their Comprehensive Transportation Plan, Moving Forward 2050. This public document is updated every five years to ensure the plan is relevant and meeting community needs. The City of Healdsburg is represented on the SCTA/RCPA Board of Directors and contributes to these regular updates. In the most recent update, released in September 2021, SCTA outlines "Equity Priority Communities" and "2020 Caltrans Active Transportation Program Disadvantaged Communities." Between 2006 and 2009, an Equity Priority Community was identified in Healdsburg along Highway 101.



Figure 22: Sonoma County Equity Priority Communities



Source: Sonoma County Transportation Authority

According to the same report, three cities in Sonoma County have been recognized as Bicycle Friendly Communities by the League of American Cyclists. The City of Healdsburg has been recognized as a bronze level Bicycle Friendly Community since 2014. Additionally, the first bike share program in the county was piloted in Healdsburg from 2018 to 2020 with about 30 pedal bicycles. The pilot program folded due to bankruptcy of the initial provider, Zagster, and in 2022 the City allocated \$290,000 to reboot the program with Class 1 pedal-assist electric bikes in partnership with the micro-mobility provider Bird.

The City received an \$11.8 million funding award for the Healdsburg Avenue Complete Streets Project in the 2023 Regional Competitive Active Transportation Program (rATP). This project has an estimated completion of 2028 and will improve bike and pedestrian infrastructure in northern Healdsburg from Powell Avenue to the northern edge of City limits. The scope of the project was developed after a detailed community engagement process, including public workshops and outreach conducted specifically for the City's Spanish-speaking community. As envisioned in Housing Program 6.7, tThe project will span two Lower Resource Census Block Groups with among the City's highest concentration of Hispanic/Latino residents and renters, along with the City's northerly Higher Resource Block Group with a majority of pipeline affordable housing developments currently slated for the planning period. Each of these tracts have the most distal job proximity in the City, as noted in Figure 25, and the project will facilitate safer low-cost access to existing and planned transportation hubs.



Economic Development and Access to Jobs

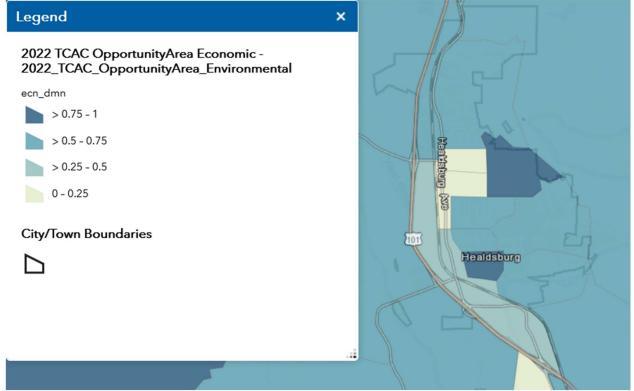
The TCAC Opportunity Maps accounts for regional differences in access to opportunities within census tracts. The Economic Domain factors in the following indicators to generate Economic Scores for each tract:

- Poverty: Percent of population with income level above 200% of federal poverty line
- Adult Education: Percent of adults with a bachelor's degree or above
- Employment: Percent of adults aged 20-64 who are employed in the civilian labor force or in the armed forces
- Job Proximity: Number of jobs filled by workers with less than a BA <u>than</u>that all within a given radius of each census tract
- Median Home Value: Value of owner-occupied units

There is a range of economic outcomes within the census tracts that intersect Healdsburg. Lower scores can be found within the tract on the western side of the City adjacent to Highway <u>101</u> as well as in the centerblock groups adjacent to Healdsburg Avenue from Grant Street to Terrace Boulevard. Median incomes reported in the 2019 American Community Survey were \$34,926 in the Central Healdsburg tract, \$41,770 in the eastern tract, and \$42,060 in the northern tract (inclusive of peripheral areas outside of City limits).







Source: 2022 HCD/TCAC Opportunity Area Maps: Economic

According to the U.S. Census Bureau, there were 6,880 jobs in the City of Healdsburg in 2019, most of which are concentrated in the western part of the City along Highway 101. Accommodation and Food Services industry employed the highest number of individuals (20.9%) followed by Health Care and Social Services (12.3%) and Retail Trade (12.3%).

Adequate access to FDIC-regulated banks reduces the likelihood of discrimination in lending and credit services as well as predatory lending practices that further racial and socio-economic inequities. Healdsburg has one of the smallest populations of all jurisdictions in Sonoma County as well as one of the smallest proportions of minority populations. The City has eleven FDIC-regulated full-service brick and mortar bank branches (**Table 26**), among the most per capita in Sonoma County.

Table 26: FDIC-Regulated Bank Branches by Sonoma County Municipality

Municipality	Population	<u>% Minority</u> Population	FDIC-Regulated Full-Service Brick and Mortar Branches	FDIC-Regulated Non-Brick and Mortar Branches
Santa Rosa, CA	<u>178,127</u>	48.8%	38	<u>11</u>
Petaluma, CA	<u>59,776</u>	<u>33.4%</u>	<u>10</u>	1
Rohnert Park, CA	44,390	<u>41%</u>	<u>8</u>	<u>0</u>
Windsor, CA	<u>26,344</u>	<u>46.7%</u>	<u>4</u>	2



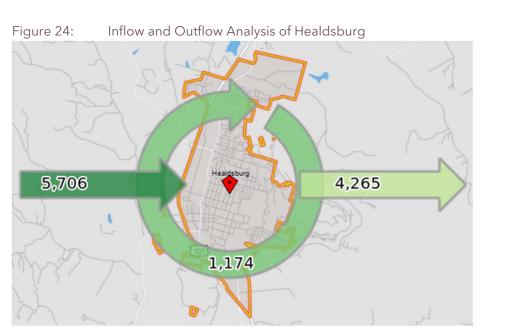
Healdsburg, CA	<u>11,340</u>	<u>36.8%</u>	<u>11</u>	<u>0</u>
<u>Sonoma, CA</u>	<u>10,739</u>	<u>27.9%</u>	<u>11</u>	<u>0_</u>
<u>Cloverdale, CA</u>	<u>8,996</u>	<u>42.2%</u>	2	<u>0</u>
<u>Cotati, CA</u>	<u>7,584</u>	<u>25.9%</u>	<u>1</u>	<u>0</u>
Sebastopol, CA	<u>7,521</u>	<u>21.7%</u>	<u>6</u>	<u>0</u>
County Total	<u>488,863</u>	<u>40.6%</u>	<u>99</u>	<u>13</u>

<u>Source: All FDIC-related data derived from: Federal Deposit Insurance Corporation, 2022</u> <u>https://www7.fdic.gov/idasp/advSearch_warp_download_all.asp?intTab=1.</u>

Employment Inflow/Outflow analyses from the U.S. Census Bureau OnTheMap tool highlight the movement of workers commuting into and out of Healdsburg (**Figure 24**). This data is useful for understanding the ratio between residents who are employed within the City and those who are employed outside of the City as well as how many workers are commuting from outside of the City for employment opportunities.

Healdsburg is a net importer of workers from outside city limits. Out of the 6,880 individuals employed in Healdsburg, 5,706 (82.9%) live outside the city while 1,174 (17.1%) work and live inside the city. Of the 5,439 workers living in Healdsburg, 4,265 (78.4%) are employed outside and 1,174 (21.6%) work and live inside of the City. Further analysis of worker flow is needed to determine if there is a housing need for non-residents employees (i.e., average length of commutes, city-wide VMT analysis, etc.). Firms headquartered within City limits may also include workers in the local vicinity (for example, wineries with tasting rooms in the City and vineyards throughout the Dry Creek and/or Alexander Valley), and specific programmatic commitments are included within the housing strategy to address the housing needs of farmworkers.

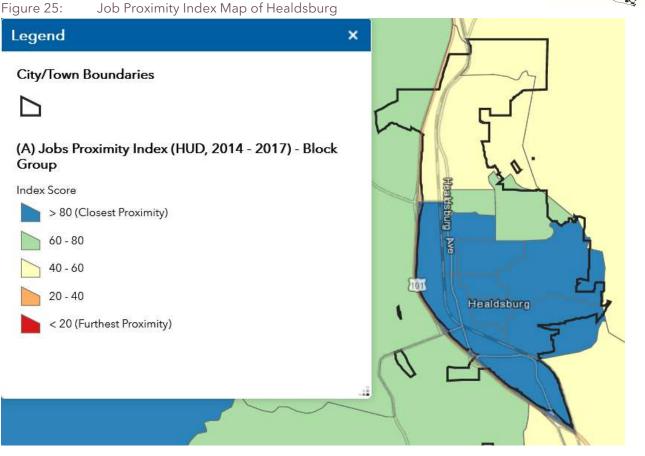
Vehicle miles traveled (VMT) analysis conducted by Sonoma County Transportation Agency (SCTA) in 2020 determined that nearly the entirety of the City is "pre-screened" from requiring a VMT analysis for new development under the rules of SB 743 (2013), indicating that those areas have a residential VMT per capita of at least 15% below the countywide average. Healdsburg has the highest proportion of pre-screened City land area among Sonoma County jurisdictions. Census data further indicates that Healdsburg residents have the shortest mean travel time to work of any Sonoma County jurisdiction, with an average commute of 21.3 minutes. This is compared with a 29.5 minute average statewide, 25.8 minutes for Sonoma County as a whole, and a countywide high of 31.3 minutes in Petaluma.



*Note: Arrows do not indicate directionality of worker flow Source: OntheMap.ces.census.gov, 2019

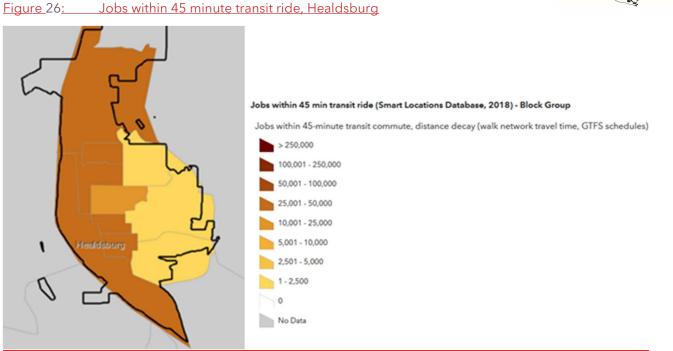
The U.S. Department of Housing and Urban Development (HUD) Jobs Proximity Index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a CBSA, with larger employment centers weighted more heavily. The higher the index value, the better the access to employment opportunities for residents in a neighborhood. All block groups in Healdsburg have relatively strong job proximity according to 2014 - 2017 data (**Figure 25**).





Source: HCD AFFH Data Viewer 2021, TCAC 2021

Further information on the proximity of jobs in Healdsburg provided by the Smart Locations Database refers to the number of jobs available within a 45-minute transit ride (**Figure 26**). Under this metric, all westerly block groups within Healdsburg have access to up to 50,000 jobs within a 45minute ride. These figures are among the highest in Sonoma County, surpassed only by two block groups in central Santa Rosa (Burbank Gardens and South Park). The majority of Healdsburg's housing sites identified in the 6th Cycle Housing Element are located within these block groups.



Jobs within 45 minute transit ride, Healdsburg



Measuring the ratio of jobs-to-housing can offer insight into how well cities are balancing the two, and although imperfect, ratios that are too skewed in either direction can indicate an opportunity for action. Figure 276 ranks jurisdictions in Sonoma County based on its respective jobs-to-housing ratio. The higher the ranking, the stronger the jobs-to-housing ratio. Healdsburg's job-to-housing ratio is one of the top four strongest of all the Sonoma County jurisdictions with jobs-to-housing ratios above 1.3 (i.e., 1.3 jobs for every home built). The jobs-to-housing ratio in these jurisdictions rank well below the average Bay Area jurisdiction given that cities like San Francisco and San Jose produce more than three jobs for every permitted home according to the State of Housing in Sonoma County 2022 report.



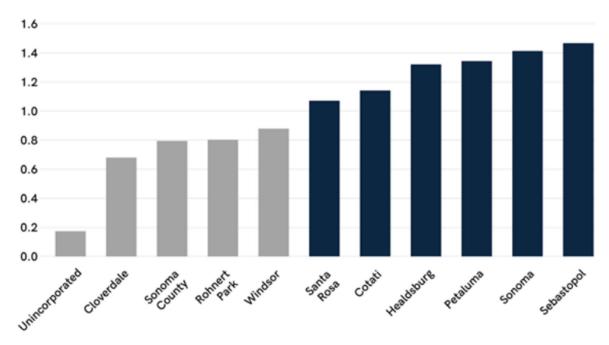


Figure <u>27</u>26: Ratio of All Jobs to Homes in Sonoma County Jurisdictions

Source: California Department of Housing and Community Development, Annual Progress Reports, Generation Housing

Disproportionate Housing Needs, Including Displacement

Disproportionate housing needs refer to a condition(s) in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing needs when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions. This section analyzes these four housing needs categories as they apply in the City of Healdsburg.

Cost Burden and Severe Cost Burden

Housing cost burden is commonly measured as the percentage of gross income spent on housing, with 30 percent threshold for 'cost burden' and 50 percent the threshold for 'severe cost burden.' A lower-income household spending the same percent of income on housing as a higher-income household is therefore more likely to experience a 'cost burden.' Some of the implications of high-cost burden can include housing-induced poverty, where overspending on housing leaves households little financial resources for other expenditures, and reduced savings which can impact asset accumulation.

While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. Like most places, renters are more cost-burdened than homeowners in the City of Healdsburg with 23 percent of renters experiencing cost burden (i.e., spending 30% to 50% of their



income on housing costs) and 25 percent of renters experiencing severe cost burden. These rates are both 14 percent for homeowners (**Figure 2<u>8</u>7**).

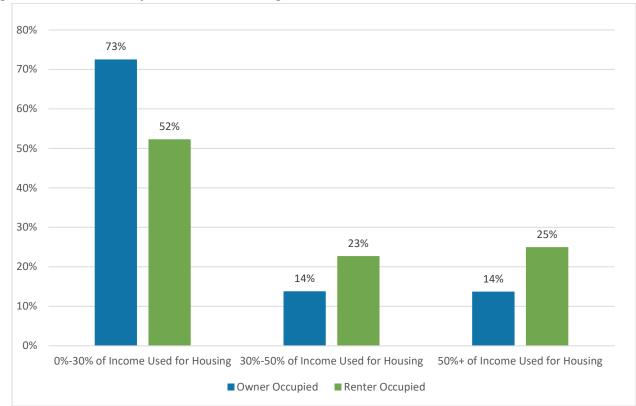


Figure <u>28</u>27: Burden by Tenure in Healdsburg



A community's lowest income earners are most likely to experience cost burden and as a result are at the greatest risk of housing insecurity. Over half of extremely low-income households in Healdsburg are severely cost-burdened and almost all are cost-burdened to some extent. The proportion of severely cost-burdened households becomes exponentially smaller as income increases (**Figure 298**). Within highest income households, only 11 percent are cost-burdened and less than one percent are severely cost-burdened.



Figure <u>29</u>28: Cost Burden by Income Level in Healdsburg

Source: Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Compared to Sonoma County and California, renter- and owner-occupied households in Healdsburg experience housing cost burdens at slightly lower rates. Healdsburg also has the greatest share of those who can afford housing (i.e., spend between zero and 30 percent on housing costs).



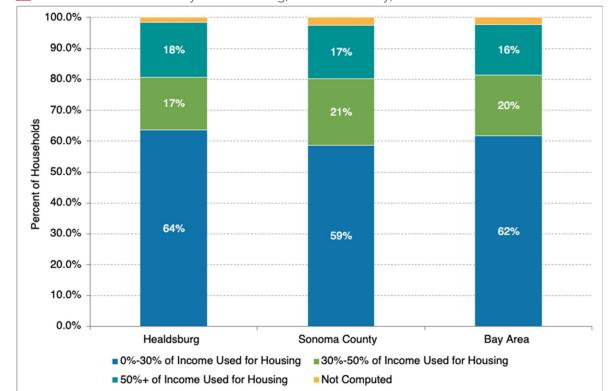


Figure <u>30</u>29: Cost Burden Severity in Healdsburg, Sonoma County, and California

Transportation and housing are among the highest regular costs of living that households can incur, and in conjunction they can impact a wide range of households with various incomes and housing tenure (both renters and owners). **Figure 310** reflects block groups by average housing and transportation costs as a percentage of household income. Most of the City averages 30-50% of household income spent on housing and transportation, including most of the areas designated low-resource. Three block groups are reflected as spending an average of 50-75% of household income on housing and transportation, all located in block groups designated moderate-resource (-023) and high-resource (-031, -034).

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091



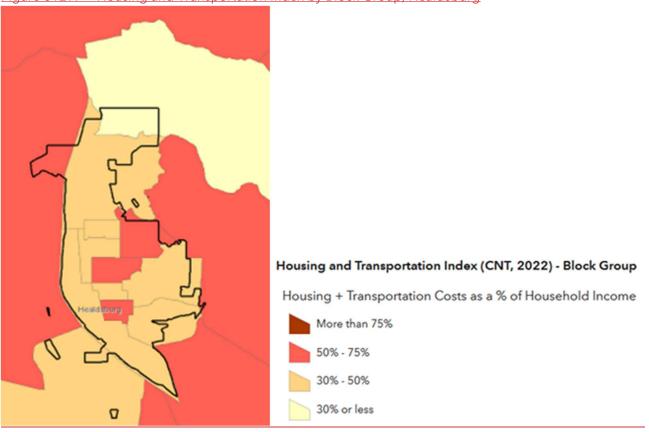


Figure 3129: Housing and Transportation Index by Block Group, Healdsburg

Source: AFFH Data Viewer 2.0

Overcrowding

Households having more than 1.01 to 1.5 persons per room are considered overcrowded and those having more than 1.51 persons per room are considered severely overcrowded. The person per room analysis excludes bathrooms, porches foyers, halls, and half-rooms. Residential overcrowding reflects demographic and socioeconomic conditions as it has been correlated with increased risks of contracting communicable diseases, higher rates of respiratory illness, and greater vulnerability to being homeless.

Older-adult immigrant and recent immigrant communities, families with low incomes and renteroccupied households are more likely to experience household crowding. A form of residential overcrowding known as "doubling up" is co-residing with family members or friends for economic reasons. Doubling up is the most reported living situation for families and individuals before the onset of homelessness.¹⁹

In Healdsburg, rates of overcrowding are highest for Hispanic households. Asian households experience the lowest rates of overcrowding, followed by White households. This is likely explained by the overall low number of Asian households in Healdsburg. Hispanic households experience

¹⁹ California Department of Health and Human Services

higher rates of overcrowding than the city average. As with the data discussed

for disability status in section 4.5.3, age may play some role in explaining racial and ethnic disparities in overcrowding. Relatively younger adults are more likely to have minor children in their households, which, in turn, increases the likelihood of overcrowding. Conversely, older adults are more likely to reside in one- or two-person households.

Race or Ethnicity	Total Households	% in Units with 1.00 Total Households or Fewer Occupants Per Room		
Total Non- Institutionalized Population	4,635	97.78%	2.22%	
White Alone, Not Hispanic or Latino	3,528	99.63%	0.37%	
Black or African American Alone	0	N/A	N/A	
Asian Alone	59	100.00%	0.00%	
Hispanic or Latino (of any race)	977	90.79%	9.21%	
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014				

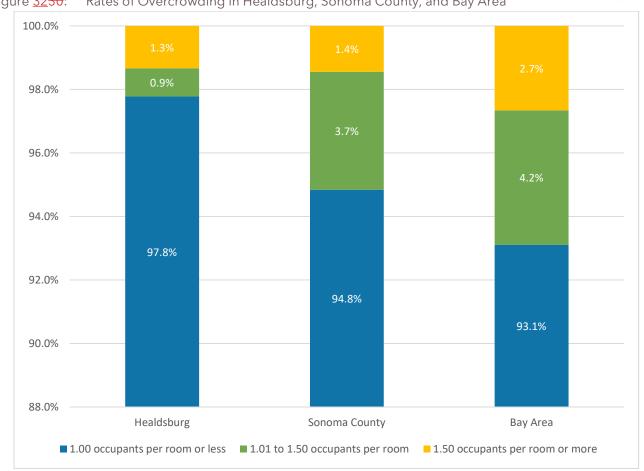
Table 2726: Occupants Per Room for Households by Race and Ethnicity in Healdsburg

Data concerning severe overcrowding by race and ethnicity is not available, but there is data on severe overcrowding by housing tenure, a factor that is often correlated with race and ethnicity. In Healdsburg and the region, White and Asian households are relatively more likely to be homeowners while Black and Hispanic households are relatively more likely to be renters. As the data above shows, renter-occupied households are much more likely to be subjected to severe overcrowding than are owner-occupied households.

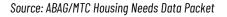
Table 2827: Severe Overcrowding for Households by Tenure in Healdsburg

Tenure	Total Households	% in Units with 1.50 or Fewer Occupants Per Room	% in Units 1.51 or More Occupants Per Room	
Owner-Occupied	2,803	99.11%	0.89%	
Renter-Occupied	1,832	97.98%	2.02%	
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019)				

The rate of overcrowding in Healdsburg (2.2%) is lower than the rates of both the county (5.1%) and the state (6.9%).



Rates of Overcrowding in Healdsburg, Sonoma County, and Bay Area Figure <u>32</u>30:



Substandard Housing

The American Community Survey includes questions that are used to indicate 'substandard housing' as defined by the Code of Federal Regulations (Title 24, § 5.425). In 2010, the ACS reported that approximately 2,800 housing units in the county are considered severely substandard because they lacked either complete plumbing facilities or complete kitchens. Together, assuming no overlap, these units represented 1.6% of the county's occupied housing units. Sixty-four percent of substandard units in the county are renter occupied. For the state overall, 1.5% of occupied housing units are considered substandard, which mirrors the proportion in Sonoma County.

In Healdsburg, 1.2% of households experience a lack of amenity (kitchen), and all are rentals.



Table <u>29</u> 28:	Substandard	Housina	Issues i	in Healdsburg
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Building Amenity	Owner	Renter
Kitchen	0.0%	1.2%
Plumbing	0.0%	0.0%
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Tables B25053, B25043, B25049		

Taken together, Table 3027 and Table 3128 show, first, that very few households in the PUMS that includes Healdsburg reside in housing that ACS data shows to be physically substandard, i.e., lacking complete plumbing and/or kitchen facilities. It should be noted that ACS data does not reflect whether housing is subject to other substandard conditions, like mold, nonfunctioning utilities, and vermin infestation. Second, the tables show that, to the extent that any group is more likely to live in housing lacking such facilities, Asian and White households lack such facilities at higher rates than Black and Hispanic households that have lower household incomes.

Table <u>30</u>29: Plumbing Facilities by Race and Ethnicity, Public Use Microdata Area - Sonoma County (North) - Windsor Town, Healdsburg & Sonoma Cities

Race or Ethnicity	Total Population	% in Units That Lack Complete Plumbing Facilities	% in Units That Have Complete Plumbing Facilities
White Alone*	150,764	0.29%	99.71%
Black or African			
American Alone	1,208	0.00%	100.00%
Asian Alone	4,513	1.42%	98.58%
Hispanic or Latino			
(of any race)	38,872	0.21%	99.79%
Source: 2015-2019 Public Use Microdata Sample (PUMS)			

Table <u>31</u>30: Kitchen Facilities by Race and Ethnicity, Public Use Microdata Area - Sonoma County (North) -Windsor Town, Healdsburg & Sonoma Cities

Race or Ethnicity	Total Population	% in Units That Lack Complete Kitchen Facilities	% in Units That Have Complete Kitchen Facilities
White Alone*	150,764	0.59%	99.41%
Black or African			
American Alone	1,208	0.00%	100.00%
Asian Alone	4,513	1.13%	98.87%
Hispanic or Latino			
(of any race)	38,872	0.31%	99.69%
Source: 2015-2019 Public Use Microdata Sample (PUMS)			

Microdata Sample (PUMS)

*Note: The White alone population in this table is not disaggregated to exclude people who identify as both Hispanic or Latino and White.



The condition of structures can be further determined by the age of

structures. **Figure 33** indicates that the City's easterly tract contains the highest proportion of units built prior to 1990 at 88.5%, followed by the central tract (62.4%) and northern tract (54.3%).

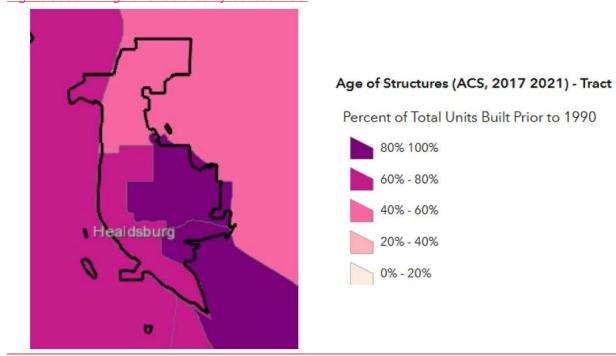


Figure 3330: Age of Structures by Census Tract

Source: American Community Survey, 2017-2021 via HCD AFFH Data Viewer 2.0



<u>Homelessness</u>

Those experiencing homelessness include individuals or families who lack or are perceived to lack a fixed, regular, and adequate nighttime resident, or who have a primary nighttime resident in a shelter, on the street, in a vehicle, or in an enclosure or structure that is not authorized or fit for human habitation. People experiencing homelessness have the most immediate housing needs of any population group and are most vulnerable to violence and criminalization due to their unhoused status.

California accounts for almost half (47%) of the country's homeless population. Sonoma County has the fourth highest number of homeless individuals for large suburban areas in the United States.²⁰ The 2022 Sonoma County Point-In-Time Count reported 2,893 individuals experiencing homelessness, a five percent increase in homeless persons since 2020. Of those experiencing homelessness in the County, the majority (63%) are white, and a majority (63%) were men. Between 2020 and 2022, the sheltered homeless population decreased and the unsheltered homeless population increased.²¹

As of 2022, the primary causes of homelessness in Sonoma County are job loss (23%),, argument with family or friend (11%), eviction (10%), and divorce/separation/breakup (10%). Obstacles to obtaining permanent housing include unaffordable rent (63%), lack of job or insufficient income (45%), no money for moving costs (29%), lack of housing availability (19%), and lack of transportation (23%).²² Since 2017, homelessness counts in the 18 to 30 age groups and the 41 to 50 age group have decreased, with increases in the age groups from 31 to 40 years and older 50 years.

Countywide, 25 percent of the homeless population is Hispanic/Latino, slightly lower than the 26 percent of County residents that are Hispanic/Latino. Black/African American and American Indian/Alaska Native residents experience disproportionate rates of homelessness, making up 8% and 9% of the homeless population and 1.5% and 0.6% of the County population, respectively.

Healdsburg is one of a growing number of smaller cities in Sonoma County that is facing the need to increase supply of affordable housing, permanent supportive housing, and transitional housing. The 2022 Point-In-Time Count conducted in early 2022 identified 97 homeless persons in Healdsburg, which represents a decrease from 2018, but an increase from 2019 and 2020 (<u>Table 32</u><u>Table 31</u>). The City has responded to this need with concrete action, including the L&M Village interim housing (shelter) for people experiencing homelessness opened in 2023.

	2018	2019	2020	2022
Unsheltered	81	64	69	97
Sheltered	48	9	0	0

Table <mark>3231:</mark>	Total Number of Homeless Persons &	ov Shelter Status in Healdsburg
		y sheller status in neurosparg

²⁰ County of Sonoma Community Development Commission "Project Homekey" page

²¹ "2022 Sonoma County Homeless Census Report"

²² 2022 Sonoma County Homeless Census Comprehensive Report

CITY OF HEALDSBURG
CALIFORNIA

Total	129	73	69	97
Source: 2020 and 2022 Sonoma County Homeless Census Comprehensive Reports				

Displacement

Shifts in neighborhood composition are often framed and perpetuated by established patterns of racial inequity and segregation. Neighborhood change is influenced by three processes: movement of people, public policies, and investments, such as capital improvements and planned transit stops, and flows of private capital.²³ These processes can disproportionally impact people of color, as well as lower income households, persons with disabilities, large households, and persons at-risk or experiencing homelessness. They can also displace people to the extent of homelessness.

For the purposes of this assessment, displacement is used to describe any involuntary household move caused by landlord action or market changes. Displacement is fueled by a combination of rising housing costs, rising income inequality, stagnant wages, and insufficient market-rate housing production.²⁴ Decades of disinvestment in low-income communities, couples with investor speculation, can result in a rent gap or a disparity between current rental income and the land, and potentially achievable rental income if the property is converted to its most profitable use.

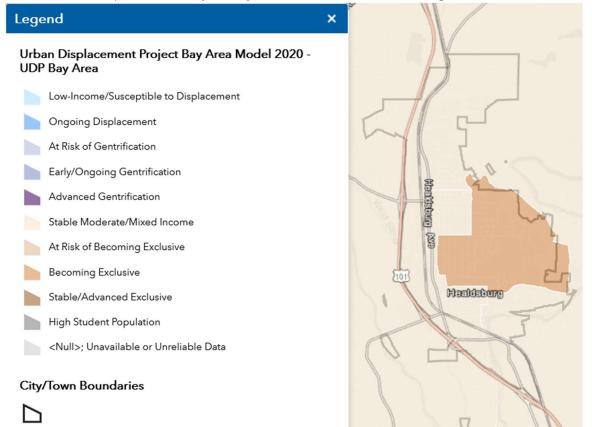
In 2015, researchers at the University of California Berkeley's Urban Displacement Project (UDP) collaborated with eh San Francisco Mayor's Office of Housing and Community Development to better understand and predict where gentrification and displacement was happening and would likely occur in the Bay Area. While most of Healdsburg was determined to be "Stable Moderate/Mixed Income," there is one census tract on the eastern side of the City that is "Becoming Exclusive" according to this research (**Figure 341**). This means that in 2018, the tract was characterized as moderate, mixed moderate, mixed high, or high-income and the median income was higher in 2018 than it was in 2000. Additionally, housing was found to be affordable only to middle, high, mixed moderate, and mixed high-income households, there was a rapid increase in housing costs, an absolute loss of low-income households between 2000 and 2019, a declining low-income in-migration rate between 2012 and 2018.

²³ Zuk, M., et al. (2015). Gentrification, Displacement, and the Role of Public Investment. Federal Reserve Bank of San Francisco, 32.

²⁴ Been, V., Ingrid, E., & O'Regan, K. (2019). Supply Skepticism: Housing Supply and Affordability. Housing Policy Debate, 29(1), 25-40.



Figure <u>34</u>31: Urban Displacement Project May Area Model 2020 - Healdsburg

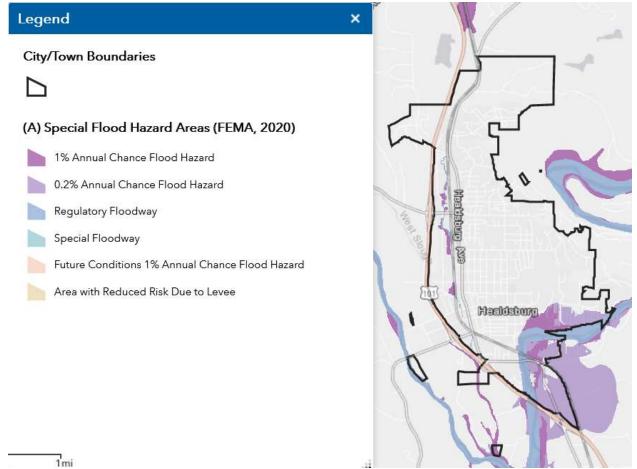


Source: Chapple, K., & Thomas, T., and Zuk, M. (2021). Urban Displacement Project website. Berkeley, CA: Urban Displacement Project.

Figure 352 identifies census tracts that are at risk of disaster-driven displacement from flooding. The Special Flood Hazard Areas in Healdsburg are concentrated in the southeastern corner of the City, with one thin segment running parallel to the western city limit line and Highway 101.



Figure <u>3532</u>: FEMA Special Flood Hazard Areas in Healdsburg (2020)



Source: Flood Hazard Areas from the Flood Insurance Rate Map created by the Federal Emergency Management Agency (FEMA)



Fair Housing Goals and Priorities Based on Identified Contributing Factors Summary

 Table 3332:
 Fair Housing Issues, Contributing Factors, and Programs & Actions

Fair Housing Issue	Contributing Factors	Meaningful Action
	Aging population excludes younger population who	 Housing Program 4 - Expanding Housing Development Capacity
	need help to enter the housing market	 Housing Program 5 - Affordable and Middle- Income HousingDeveloping Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
		 Housing Program 7 - Removeing Constraints
	Lack of affordable,	 Housing Program 2 - Preserving Existing Housing and Neighborhoods
Constrainedaccessiblesupply ofhousing in aaffordable ⦥ of sizesattainablehousing	housing in a	 Housing Program 5 - Affordable and Middle- Income Housing Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
	Displacement of residents due to	 Housing Program 8 - Extremely Low-Income, Homeless, and Special Needs Housing
		 Housing Program 2 - Preserving Existing Housing and Neighborhoods
economic pressures (out, etc.)	pressures (priced	 Housing Program 5 - Affordable and Middle- Income Housing Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
		 Housing Program 6 - Affirmatively Furthering Fair Housing



Fair Housing Issue	Contributing Factors	Meaningful Action
	Lack of affordable units appropriately sized for large families	 Housing Program 3 - Sustaining and Expanding Housing Sites Housing Program 5 - Affordable and Middle- Income Housing Developing Housing Affordable to Very Low, Low, Moderate, and Middle-Income Households
		 Housing Program 8 - Extremely Low-Income, Homeless, and Special Needs Housing



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