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GENERA

1 November 2022

City of Healdsburg 401 Grove Street Healdsburg, CA 95448

RE: Comment on the 6th Cycle draft Housing Element

Dear Mayor Jimenez, Vice Mayor Kelley, Councilmembers and Staff:

Thank you for allowing an additional opportunity for Generation Housing to inform the development and review of the City of Healdsburg's ("City") 6th Cycle draft Housing Element ("draft"). Generally, we are very impressed with this initial draft. The City has demonstrated a clear intention of acting in good faith towards meeting our housing crisis head on with progressive and innovative solutions. In that spirit, we offer additional thoughts and comments below that we hope will further strengthen this draft and ensure the best possible outcomes for the City during the 6th Cycle.

Generation Housing is leading the movement for more, more affordable, and more diverse housing in Sonoma County. Together, we champion effective policy, sustainable funding resources, and collaborative efforts to create an equitable, healthy, and resilient community for everyone.

Addressing the Impact of Second Homes

During the June 6, 2022 City Council <u>meeting</u>, some Councilmembers expressed trepidation over committing to pursuing a Vacant Parcel Tax as a part of the housing strategies proposed in the draft Housing Element. We understand the concerns around this commitment, but we would like to reinforce our position that this particular solution could be a powerful tool to combatting the rise of second homes in the City.

+ We recommend that this specific policy solution be nested Housing Program 2 (*Preserving Existing Housing and Neighborhoods*) as part of a list of potential options the City will consider to combat this issue.

Creating a list of possible solutions would also better assure both the California Department of Housing and Community Development ("HCD") and the community as to the intent of this policy in addition to better elucidating possible outcomes. In their revised draft Housing Element that was transmitted to HCD, the City of Sonoma committed explicitly to exploring either a property tax similar to the City of Oakland or a real-estate transfer tax. We would like to see the City of Healdsburg make a similar commitment. As it stands currently, Housing Program 2 is relatively vague and doesn't offer much in the way of clarity or specific commitments on the part of the City.

Rental Registry

The draft should include a commitment to instituting a <u>rental registry program</u> under Housing Program 6. This type of tool is desperately needed to support the identification and tracking of rental units, including units that accept Section 8 vouchers. It also can play a key role in helping pair those in need of affordable units with appropriate properties in the housing stock. We recommend the following:

- + Implement a rental registry within 30 months of the Housing Element adoption to help support workforce members of the community struggling to locate affordable housing.
- + Promote and advertise this registry across all available print and digital forums. Collaborate with Corazón Healdsburg and other organizations to maximize promotion of the tool.

Prohousing Designation

We are surprised to see that a commitment to securing HCD's Prohousing Designation was noticeably absent from the draft after a strong commitment by the City Council and staff alike to securing it. We recommend the following:

+ Include the Prohousing Designation as a program or specific commitment. Given the City's strong support for housing, this should be an easily achievable goal. The timeframe for securing this should be no later than 16 months after the adoption of the Housing Element.

Generation Housing has launched its Prohousing Initiative, through which our staff, led by new Director of Special Initiatives, Joshua Shipper, will be assisting jurisdictions to develop roadmaps to earning the Designation and the related model policy language. We stand ready to assist the City in reaching this goal, which can bring millions in grant funding for affordable housing and infrastructure needs.

Time Frames for Achieving Objectives

Generally, we have identified a pattern of vague time commitments and a lack of specificity as to what will be achieved. As an example, we point to Housing Program 7 (Page 41) and the first objective which touches upon AB 602. We are thrilled to see Healdsburg register interest in aligning with the spirit of this landmark legislation. However, this commitment is bereft of a clear timeline for coming into alignment with AB 602. Specifically, a precise deadline for switching from a per unit impact fee assessment to a square footage impact fee assessment – the preeminent provision of this legislation.

+ We recommend reviewing the Housing Programs and making explicit the objectives the City is setting out to achieve coupled with an exact deadline for achieving that objective. This creates a level of accountability for the City and better enables more structured management and execution of the overall housing strategy.

Workforce Housing

Under Housing Program 5, we urge the City to consider the adoption of the following policy that would lower the cost of building smaller units, which could help bridge financing caps for both deed-restricted affordable units and affordable by design units, perfect for meeting our 80-140 AMI workforce members' needs.

- + We recommend extending the total fees assessed for an 850(<) square foot Accessory Dwelling Unit to multi-family units of the same size.
- + We recommend that the City explore adopting the County of Sonoma's residential unit equivalency definition (see Table 8-3). Under this framework, a one-bedroom (<750 sq. ft.) dwelling would be classified as 0.5 of a density unit. Similarly, a two-bedroom (<1,000 sq. ft.) dwelling would be counted as 0.75 of a density unit.

General Formatting Input

Over the course of reviewing the draft, we had some difficulty navigating the document. First and foremost, the table of contents is severely lacking in specificity. This makes it challenging for interested members of the community to comfortably engage with the document and jump to specific sections of interest. We discovered other issues and recommend the following to help improve clarity and enhance community engagement:

- + Create a robust table of contents that has links which navigate you directly to that section of the document.
- + Reformat "Table 3: *Summary of Quantified Objectives*" (Page 45) so that it lists the Programs in the left column and then the Quantified Objectives by income category to the right.

Our appreciation goes out to the staff and consulting teams that helped prepare the 6th Cycle draft Housing Element for the City of Healdsburg. We look forward to continuing our partnership as we work towards securing final adoption of the draft early next year.

Please direct any questions to our Policy Director Calum Weeks at <u>calum@generationhousing.org</u>.

In partnership,

Jen Klose Executive Director | Generation Housing