



Contra
Costa
County

To: Board of Supervisors
From: David Twa, County Administrator
Date: September 20, 2016

Subject: RESPONSE TO CIVIL GRAND JURY REPORT NO. 1614, ENTITLED "WHERE WILL WE LIVE?"

RECOMMENDATION(S):

ADOPT report as the Board of Supervisors' response to Civil Grand Jury Report No. 1614, entitled "Where Will We Live?".

FISCAL IMPACT:

No fiscal impact.

BACKGROUND:

The 2015/16 Civil Grand Jury filed the above-referenced report, attached, on May 24, 2016, which was reviewed by the Board of Supervisors and subsequently referred to the County Administrator, who prepared the attached response that clearly specifies:

- A. Whether the finding or recommendation is accepted or will be implemented;
- B. If a recommendation is accepted, a statement as to who will be responsible for implementation and a definite target date;
- C. A delineation of the constraints if a recommendation is accepted but cannot be implemented within a six-month period; and
- D. The reason for not accepting or adopting a finding or recommendation.

APPROVE OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: 09/20/2016 APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Federal D. Glover, District V Supervisor

ABSENT: Mary N. Piepho, District III Supervisor
Karen Mitchoff, District IV Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 20, 2016

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Julie DiMaggio Enea (925) 335-1077

cc:

BACKGROUND: (CONT'D)

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FINDINGS

F1. PDAs recognize the importance of housing near transportation and jobs for developing prosperous communities.

Response: The respondent agrees with the finding.

F2. Plan Bay Area 2040 seeks to combine transportation, jobs and housing as a solution to the needs of our growing population.

Response: The respondent agrees with the finding.

F3. While State law mandates that ABAG conduct the RHNA process, a city is not required to subsidize and/or build the units; it is only required to demonstrate that local zoning will not impede development.

Response: Response not required.

F4. While State law mandates that ABAG conduct the RHNA process, the County is not required to subsidize and/or build the units. It is only required to demonstrate that local zoning will not impede development.

Response: The respondent agrees with the finding.

F5. Inclusionary zoning programs provide incentives and regulatory waivers to builders and developers who produce both affordable and market rate homes within the same project.

Response: The respondent agrees with the finding.

F6. The city's Inclusionary Housing ordinance helps to provide AH in that city.

Response: Response not required.

F7. The County's Inclusionary Housing ordinance helps to provide AH in the County.

Response: The respondent agrees with the finding.

F8. Inclusionary Housing Ordinances sometimes include the option for the developer to pay in lieu fees instead of constructing AH units.

Response: Response not required.

F9. The city supplements the shortage of funds for AH by requiring builders to pay impact fees, in lieu fees, or other construction and remodeling fees.

Response: Response not required.

F10. Infill costs less to service than new development because it takes advantage of the existing infrastructure.

Response: The respondent partially disagrees with the finding. It is not entirely clear what is meant by "costs less to service." While infill sites often offer numerous advantages including cost efficiencies, they can sometimes be more expensive to develop because such sites sometimes have aging infrastructure that is either in need of replacement or does not have the capacity to serve the new development without substantial improvements.

F11. The elimination of redevelopment agencies resulted in a reduction of the number of AH units constructed in the city by eliminating a major source of funding for affordable development projects.

Response: Response not required.

F12. The city delegates to the builder, owner, or management company of AH properties the responsibility for gathering and validating AH clientele information, as well as maintaining lists of potentially interested buyers.

Response: Response not required.

F13. There is no accessible centralized information source for available AH, which compounds the problems created by the AH shortage for those who are searching for affordable housing.

Response: The respondent disagrees with the finding. The County provides centralized information on rental housing on its website at <http://www.cccounty.us/affordablehousing> and <http://www.co.contra-costa.ca.us/5553/Affordable-Rental-Map>.

RECOMMENDATIONS

R1. The city should consider increasing AH in PDAs.

Response: Response not required.

R2. The city should consider adopting an Inclusionary Housing Ordinance.

Response: Response not required.

R3. The city should explore rehabilitating existing housing stock as AH for purchase or rental, and identify funding to do so.

Response: Response not required.

R4. The County should explore rehabilitating existing housing stock as AH for purchase or rental, and identify funding to do so.

Response: The recommendation has been implemented. The County currently provides Community Development Block Grant funds to rehabilitate both existing rental and ownership properties and has done so for over 30 years.

R5. The city should explore increasing existing “impact fees” or “linkage fees” or enacting such fees in order to generate revenue with which to assist funding of AH.

Response: Response not required.

R6. The city should consider designating an employee within the city’s planning or housing department to coordinate with property management to maintain current waiting and interest lists of available AH and ensure information is posted on the city website, and identifying funding to do so.

Response: Response not required.

R7. The city should consider seeking federal, state, and local funding sources for AH.

Response: Response not required.

R8. The city should consider partnering with for-profit and not-for-profit builders to secure land suitable for AH, and identify funding to do so.

Response: Response not required.

R9. The County should consider seeking federal, state, and local funding sources for AH.

Response: The recommendation has been implemented. The County is an entitlement grantee for HOME, CDBG and ESG (HUD Emergency Solutions Grant) funds. It receives HOPWA through the City of Oakland. It has applied for State AHSC funds. It is typically the developers that apply for AH funds, not the County. The County has provided federal funds to support 3,226 units in 60 developments throughout the County. In addition, it has served as the issuer of tax exempt bonds to support 5,950 units in 44 developments. (Fifteen projects with 1,009 units have

both tax exempt bonds and federal funds.)

R10. The County should consider partnering with for-profit and not-for-profit builders to secure land suitable for AH, and identify funding to do so.

Response: The recommendation will not be implemented because it is not feasible. The County has provided funds to developers in the past to acquire sites for affordable housing development after there is a complete, feasible development plan. However, most funding sources prohibit "land banking" when there is not a feasible development plan with a reasonable timeline.

R11. The city should consider undertaking an education initiative in the earliest phase of affordable planning projects in order to alleviate community concerns regarding AH, and identify funding to do so.

Response: Response not required.

R12. The County should consider undertaking an education initiative in the earliest phase of affordable planning projects in order to alleviate community concerns regarding AH, and identify funding to do so.

Response: The recommendation will not be implemented because it is not warranted or reasonable. The affordable housing developers and advocacy groups are the most appropriate entities to engage in community education.

R13. The city should consider identifying all infill and vacant land not in PDAs and encourage use of it for AH through tax incentives, density bonuses, etc.

Response: Response not required.

R14. The County should consider identifying all infill and vacant land not in PDAs and encourage use of it for AH through tax incentives, density bonuses, etc.

Response: The recommendation has partially been implemented and partially requires further analysis. The County has an inventory of vacant and underutilized sites throughout the unincorporated areas that are appropriate for affordable housing development. The sites inventory is included in the County Housing Element. Additional tools to encourage affordable housing may be studied in the future as staff and funding become available.

R15. The city should consider creating an easily accessible, online central repository with all relevant information on deed-restricted housing units to assure that inventory of AH is maintained, and identify funding to do so.

Response: Response not required.

R16. The County should consider creating an easily accessible, online central repository with all relevant information on deed-restricted housing units to assure that inventory of AH is maintained, and indemnity funding to do so.

Response: The recommendation has been implemented. The County provides centralized information on rental housing on its website at <http://www.cccounty.us/affordablehousing> and <http://www.co.contra-costa.ca.us/5553/Affordable-Rental-Map> .

ATTACHMENTS

Civil Grand Jury Report No. 1614, "Where Will We Live?"