

Community Development Department

PLANNING COMMISSION STAFF REPORT

ACTION ITEM (Public Hearing): Public Hearing to Consider Recommendation of Adoption of the 2023-2031 Housing Element, and Addendum to The Burlingame General Plan Environmental Impact Report (EIR)

MEETING DATE: November 27, 2023

AGENDA ITEM NO: 9b

ENVIRONMENTAL STATUS: An Addendum has been prepared for the Environmental Impact Report (EIR) prepared for the City of Burlingame General Plan. The Addendum has been prepared in accordance with Sections 15162 and 15164 of the California Environmental Quality Act (CEQA) of 1970 (as amended) and the CEQA Guidelines.

BACKGROUND

California requires each jurisdiction to prepare a Housing Element as part of its General Plan in order to ensure that all jurisdictions are planning for the projected housing demand throughout California. Unlike other elements of a General Plan, the Housing Element must be updated by deadlines set by the State.

The process begins with the State advising a region of its Regional Housing Needs Allocation (RHNA), which is the estimated number of housing units that will be needed over the planning period (usually eight years). This allocation is further subdivided among four household income categories: very-low, low, moderate, and above moderate. Affordable housing income limits are determined by the U.S. Department of Housing and Urban Development (HUD) and are adjusted for family size, as detailed in Table 1 below (effective June 6, 2023).

TABLE 1: 2023 SAN MATEO COUNTY INCOME LIMITS (BASED ON FEDERAL INCOME LIMITS FOR SMC)

Effective 6/6/2023 - Area median Income \$175,000 (based on household of 4)											
Income Limits by Family Size (\$)											
Income Category		1	2	3	4	5	6	7		8	
Acutely Low (15% AMI)	\$	18,400	\$ 21,000	\$ 23,650	\$ 26,250	\$ 28,350	\$ 30,450	\$ 32,550	\$	34,650	
Extremely Low (30% AMI) *	\$	39,150	\$ 44,750	\$ 50,350	\$ 55,900	\$ 60,400	\$ 64,850	\$ 69,350	\$	73,800	
Very Low (50% AMI) *	\$	65,250	\$ 74,600	\$ 83,900	\$ 93,200	\$100,700	\$108,150	\$115,600	\$	123,050	
Low (80% AMI) *	\$	104,400	\$119,300	\$134,200	\$149,100	\$161,050	\$173,000	\$184,900	\$	196,850	
Median (100% AMI)	\$	122,500	\$140,000	\$157,500	\$175,000	\$189,000	\$203,000	\$217,000	\$	231,000	
Moderate (120% AMI)	\$	147,000	\$168,000	\$189,000	\$210,000	\$226,800	\$243,600	\$260,400	\$	277,200	

The Association of Bay Area Governments (ABAG) is responsible for the public process by which this regional allocation is apportioned to each jurisdiction within its boundaries. In addition to demonstrating how the allocated number of units can be produced, policies in a Housing Element must also:

- 1. Address the removal of governmental barriers to housing production;
- 2. Ensure the jurisdiction's housing stock is maintained; and
- 3. Ensure that housing is available to all types of persons on an equitable basis.

Currently, the Housing Element is updated every eight years. The current cycle is the sixth cycle in which housing elements have been updated and is referred to as "RHNA 6." The RHNA 6 (2023-2031) Housing Element can be found at www.burlingame.org/housingelement.

DISCUSSION

RHNA Allocation

The Regional Housing Needs Allocations (RHNA) for most cities across the state were much higher than they were during the previous Housing Element Cycle. This was true for Burlingame, where the allocation (3,257 housing units) was almost four times the previous allocation (863 housing units). However, the General Plan (known as "Envision Burlingame"), adopted in 2019, has already planned for substantial new housing, including housing of different types and levels of affordability.

The General Plan will be able to accommodate the new RHNA with no need for changes to land use or re-zoning. Furthermore, development projects that are in the "pipeline" (meaning they have already been approved or are under review) are allowed to "roll over" and be applied to the upcoming allocation provided they do not receive a certificate of occupancy prior to June 30, 2022. As of January 2023, there are 2,412 units in the "pipeline" that will be eligible to be applied to the next cycle, provided they are approved and built as proposed. This represents more than 70% of the total allocation of units for the next cycle. However, it is important to note that there are specific allocations based on each affordability level, so additional attention will need to be given to accommodating units in the Moderate, Low, and Very Low Income categories. Table 2 below outlines the RHNA allocations for each income category:

TABLE 2: REGIONAL HOUSING NEEDS ALLOCAITON (RHNA)

Income Level	RHNA Allocation		
Very Low Income (50% AMI)	863		
Low Income (60% AMI)	497		
Moderate Income (80% AMI)	529		
Above Moderate Income (120% AMI+)	1,368		
TOTAL	3,257		

Housing Element Organization

The Housing Element is organized into seven chapters, and is supported with four appendices:

 Chapter 1 – Executive Summary. The Executive Summary provides an overview of the Housing Element, in particular the achievements of the prior Housing Element ("RHNA 5" covering years 2015-2023), as well as persistent challenges.

- Chapter 2 Introduction. This chapter provides the legislative context for the Housing Element Update, provides a summary of civic engagement conducted for the update, and describes the relationship to the General Plan.
- Chapter 3 Profile of the Community. This chapter provides a detailed demographic profile of the community, including population, income, employment, special needs populations, and housing stock.
- Chapter 4 Affirmatively Furthering Fair Housing (AFFH). This chapter is a new and important addition to the Housing Element. "Affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcomes patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. This chapter provides an assessment of fair housing in Burlingame and San Mateo County, as well as an action plan with new policies and programs.
- **Chapter 5 Housing Constraints.** This chapter provides a detailed discussion of potential constraints to housing construction, including government constraints (zoning regulations, airport proximity, building codes, infrastructure capacity, and fees), as well as non-governmental constraints (environmental, land and construction costs, and financing).
- Chapter 6 Community Resources and Opportunities. Building upon the Housing Constraints analysis, the Community Resources and Opportunities identifies potential development opportunities for new housing, following methodology set forth by the State. The analysis accounts for residential development projects that have already been approved, together with potential sites for housing development based on current General Plan and Zoning designations. The chapter also identifies potential housing funding opportunities.
- Chapter 7 Housing Goals, Policies, and Action Programs: 2023-2031. Based on the analysis in the previous chapters, together with community input, Chapter 7 outlines a series of housing goals, policies and programs for the next eight years. Some goals and programs and continuations of existing successful initiatives, while others are new for this Housing Element Update. A significant change is that implementation programs are required to be as objective or measurable as possible, and to have specific timeframes that can be reviewed with each Housing Element Annual Progress Report (APR).
- Appendix A RHNA Program Implementation. This appendix provides a table outlining each implementation program from the 2015-2023 Housing Element, the stated objective of each program, and the results of the program implementation. Where program objectives have not been met, direction is provided for revisions in the 2023-2031 Housing Element to provide better outcomes.

- Appendix B Community Outreach. This appendix provides further detail on the community outreach conducted for the Housing Element Update, going back as far as the "Burlingame Talks Together About Housing" initiative conducted in 2017-2018.
- Appendix C Affirmatively Furthering Fair Housing Assessment. This appendix provides a detailed analysis of fair housing in Burlingame, prepared by consulting firm Root Policy Research. The assessment includes a summary of fair housing issues, an action plan, and a series of maps and tables for both Burlingame and the surrounding communities.
- Appendix D Sites Inventory. This appendix provides an inventory of potential housing sites to illustrate how the production goals for the next eight years could be fulfilled. It includes a summary of recent development trends in Burlingame, a summary of pipeline projects that have already been approved but not yet completed, and identification of vacant and nonvacant sites that could be suitable for housing development should the property owners be amendable. Inclusion in the inventory is neither an entitlement in itself, nor an obligation to build housing; rather, it is to illustrate that the City has sufficient zoning capacity to meet its RHNA 6 obligations. However, each site has been chosen with consideration to be realistic and viable, and the rationale for each site is provided in the overview. The inventory also provides a substantial "buffer" in recognition that many of the sites identified may not be redeveloped, and/or redeveloped with housing. Based on recent development history, the numerous pipeline projects already approved, and the ample capacity with the current General Plan and Zoning designations, staff is confident that the RHNA 6 production goals can be met.

Community Engagement

Community engagement for the Housing Element began long before the official commencement of the RHNA 6 process. Realizing the importance of housing to the future of the city, and seeing a need for community engagement and conversations, the City (with the support of the County of San Mateo) initiated the "Burlingame Talks Together About Housing" initiative 2017. This was part of the County's "Home for All" initiative, which was created to understand how community perspectives about housing affect decisions made by local governments. The goal was to gather a broad cross section of people who live and work in Burlingame to talk about current challenges related to housing and to share ideas.

As the Housing Element Update commenced, there was a countywide outreach program administered by the 21 Elements collaborative. 21 Elements includes all 20 San Mateo County municipalities, as well as unincorporated San Mateo County. The outreach was referred to as "Let's Talk Housing San Mateo County" with the intention of increasing awareness of and participation in the Housing Element Update process. A dedicated Let's Talk Housing website includes information on the Housing Element Update process, as well as a "Housing 101" primer. Four meetings were held virtually and can be viewed at www.letstalkhousing.org/past-events. There are also two general videos, "What's a Housing Element" and "San Mateo County Housing Trends." Videos are available in English, Spanish, Chinese, and Arabic.

In 2022, the City of Burlingame has conducted city-specific outreach. Outreach events included "pop-up" outreach tables at the Fresh Market in Downtown Burlingame and on Broadway, two virtual interactive community workshops, and a joint meeting with the Planning Commission and City Council. A summary of the outreach activities and related findings is attached, and slides and videos of the workshops can be viewed at www.burlingame.org/housingelement, as well as in Appendix B.

Policies and Programs

Given that the General Plan has provided adequate capacity for the total number of housing units allocated in the next cycle, much of Burlingame's Housing Element Update has focused on policies and programs that respond to the needs of the community. The purpose of policies and programs is to:

- Provide opportunities for a variety of housing choices
- Facilitate the development of affordable housing
- Remove barriers to housing
- Improve the condition of existing housing
- Preserve existing affordable housing
- Affirmatively further fair housing

The 2023-2031 Housing Element has rearranged or added some policies and programs that will continue through 2031, with the intent of promoting more equitable housing outcomes for all residents. Each program now has a defined timeline and priority to demonstrate the City's commitment to help accomplish the goals above.

Some examples of new policies and programs include:

- Program H(B-3), a commitment to pursuing environmental justice for underrepresented community groups most impacted by pollution
- Program H(B-6), establishing streamlining incentives for projects proposing affordable units
- Program H(C-6), consideration of providing additional incentives for developers to include child care facilities in new residential, commercial or industrial developments
- Program H(D-2), to provide 50 Extremely-Low Income units subject to a preference for people with developmental disabilities
- Program H(D-3), to add affordable units for larger households

Department of Housing and Community Development (HCD) Review

The California Department of Housing and Community Development (HCD) is responsible for reviewing every local government's housing element to determine whether it complies with state law. HCD's approval is required before a local government can adopt its housing element as part of its overall General Plan.

Three drafts of the 2023-2031 Burlingame Housing Element have been submitted to HCD:

 A first draft was submitted on February 17, 2023. HCD provided a formal response letter on May 18, 2023 with direction for further analysis.

- A second draft with revisions addressing HCD input was released for public review on September
 6, 2023 and submitted to HCD on September 15, 2023. HCD provided preliminary feedback on the second draft on October 17, 2023.
- City staff and consultants coordinated directly with HCD staff on remaining areas of concern, and based on input from HCD released a third draft for public review on November 2, 2023. The draft was submitted to HCD on November 10, 2023.
- HCD provided a letter on November 15, 2023 indicating that the Housing Element meets statutory requirements and will substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq) when it is adopted, submitted to, and approved by HCD, in accordance with Government Code section 65585.

The tracked changes version of the document indicates which revisions were made in each draft. Revisions in the second draft are shown with tracked changed <u>underlines</u> and <u>strikeouts</u>. Revisions in the third draft are shown with <u>highlighted underlines</u> and <u>strikeouts</u>. Revisions in tracked changes may be downloaded at <u>www.burlingame.org/housingelement</u>.

<u>Environmental Review.</u> The 2023-2031 Housing Element is a component of the Burlingame 2040 General Plan. An Environmental Impact Report (EIR) (State Clearinghouse [SCH] #2017082018) was prepared for the General Plan that evaluated the long-range and cumulative environmental impacts associated with projected development if the city, including the Specific Plan area. The Final EIR for the General Plan was certified on January 7, 2019.

As outlined in Section 15164 (Addendum to an EIR or Negative Declaration) of the California Environmental Quality Act (CEQA) Guidelines, a Lead Agency shall prepare an Addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in the CEQA Guidelines Section 15162 calling for preparation of a subsequent EIR have occurred. Rincon Consultants, Inc. has prepared an addendum to the General Plan EIR (the "Addendum") in accordance with Sections 15162 and 15164 of the CEQA Guidelines.

The 2023-2031 Housing Element maintains the General Plan land use designations, but anticipates a greater amount of residential development than was anticipated in the General Plan. Based on historic trends, the 2040 General Plan EIR assumed that an additional 2,951 housing units could be constructed in Burlingame as a result of the General Plan. In total, the 2019 General Plan assumed 16,065 total dwelling units by 2040. This translates to a projected population of 36,600 residents at full buildout, a net increase of 6,876 residents.

The RHNA 6 allocation for Burlingame is 3,257 units, representing a net increase of 306 units compared to the 2040 General Plan, and a projected population of 37,400. However, guidance from HCD is to identify enough housing sites inventory to not only cover the jurisdiction's RHNA, but to also provide for an additional "buffer" capacity to account for instances when a smaller residential unit count may have to be considered for a given property. The "No Net Loss" Law (Government Code Section 65863) requires maintenance of sufficient sites to meet the RHNA for all income levels throughout the planning period.

To ensure that sufficient capacity exists in the Housing Element to accommodate the RHNA allocation of 3,257 units throughout the planning period, the State recommends that the jurisdiction create a buffer in the housing element inventory of at least 15 to 30 percent more capacity than required, especially for capacity to accommodate the lower income RHNA. The Housing Element does not assume significant housing production beyond the RHNA target of 3,257; the buffer is only to ensure that adequate sites are available should development projects be built at lower densities or different income levels than anticipated, be built as commercial rather than residential projects, or if entitled projects do not proceed to construction. As shown in Table 1, the buffers range from 1 percent to 136 percent depending on income category, with a 65% buffer overall:

TABLE 1: SITES INVENTORY AFFORDABILITY BREAKDOWN INCLUDING BUFFERS

Income Level	Very Low	Low	Moderate	Above Moderate	Total Units
RHNA	863	497	529	1,368	3,257
Pipeline Projects	253	234	105	2,216	2,808
ADUs	50	50	50	17	167
Key Vacant/Nonvacant Sites	723	310	385	991	2,409
Total	1,026	594	532	3,232	5,384
Buffer	19%	20%	1%	136%	65%
Source: City of Burlingame Housing Ele	ment Table HE-24				

Under CEQA, the full potential buildout of the plan <u>including buffers</u> must be evaluated. While the Housing Element is intended to plan for 3,257 new units during the 2023-2031 timeframe, the Addendum was required to evaluate 5,384 units, which includes the 65% buffer.

With the buffer included, the Addendum has determined potential impacts associated with the Housing Element are consistent with potential impacts characterized and mitigated for in the 2019 EIR. Substantive revisions to the 2019 EIR are not necessary because no new significant impacts or impacts of substantially greater severity than previously described would occur as a result of the proposed project.

PLANNING COMMISSION ACTION

The Planning Commission should review the Housing Element, conduct a public hearing, and consider public input. At the end of the meeting, the Planning Commission should make recommendations to the City Council for adoption of the EIR Addendum and Housing Element.

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Exhibits:

- 2023-2031 Housing Element Adoption Draft
- 2023-2031 Housing Element Revisions in Tracked Changes (not included in staff report packet – may be downloaded at <u>www.burlingame.org/housingelement</u>)
 - Draft 2: <u>Underlines</u> and <u>strikeouts</u>
 - Draft 3: Highlighted underlines and strikeouts
- Proposed Resolution
- Draft Addendum to the Burlingame 2040 General Plan EIR
- Notice of Public Hearing Published November 17, 2023

CITY OF BURLINGAME

NOTICE OF PUBLIC HEARING

CONSIDERATION AND RECOMMENDATION OF PROPOSED RESOLUTIONS RECOMMENDING ADOPTION OF THE 2023-2031 CITY OF BURLINGAME HOUSING ELEMENT, AND ADDENDUM TO THE BURLINGAME GENERAL PLAN ENVIRONMENTAL IMPACT REPORT (EIR)

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Burlingame will consider proposed resolutions on Monday, November 27, 2023 at a public meeting at 7:00 p.m., recommending adoption of the 2023-2031 City of Burlingame Housing Element, and a corresponding addendum to the General Plan Environmental Impact Report (EIR). The Housing Element is an amendment to the Burlingame General Plan, providing a plan for the housing needs of Burlingame's current and future residents. It is a comprehensive document that addresses a range of housing issues such as affirmatively furthering fair housing, affordability, housing types, density, and location. It includes a summary of past trends and future projections, the status of the City's housing stock, and opportunities for the development of new housing. An addendum to the General Plan Environmental Impact Report (EIR) has been prepared to evaluate the potential environmental impacts of the Housing Element. Public review drafts of the Housing Element and EIR Addendum may be viewed at https://www.burlingame.org/housingelement.

The Planning Commission will receive testimony on the proposed resolutions from all interested persons who appear at the Commission meeting, and will be making a recommendation to the City Council. The hearing will be held in person at Burlingame City Hall, 501 Primrose Road, and online. Members of the public attending online may view the meeting by logging in the Zoom meeting through the link published within the meeting agenda on the City's website. That information can be found at https://www.burlingame.org/departments/planning/meeting_agendas_minutes_and_videos.php

Members of the public may submit public comment for this item by emailing publiccomment@burlingame.org. The City will also receive public comment during the meeting from those attending in person at City Hall.

To request accommodations related to participation in the meeting, to receive additional information about the proposed Specific Plan and/or EIR Addendum, or to provide written comments on the proposed Specific Plan and/or EIR Addendum, interested persons may contact the Planning Manager, 501 Primrose Road, Burlingame, CA 94010, telephone 650-558-7256, email rhurin@burlingame.org.

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