



STAFF REPORT

AGENDA NO: 10a

MEETING DATE: December 18, 2023

To: Honorable Mayor and City Council

Date: December 18, 2023

From: Kevin Gardiner, Community Development Director – (650) 558-7253
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Subject: Adoption of a Resolution to Adopt the 2023-2031 Housing Element, and Addendum to the Burlingame General Plan Environmental Impact Report (EIR)

RECOMMENDATION

Staff recommends that the City Council consider this staff report, the staff presentation, and any public comments received. Staff then recommends the City Council adopt the attached resolution:

Resolution of the City Council of the City of Burlingame Repealing the 2015-2023 City of Burlingame Housing Element and Adopting the 2023-2031 City of Burlingame Housing Element, and Addendum to the Burlingame General Plan Environmental Impact Report (EIR)

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 (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 by the California Department of Housing and Community Development (HCD) for county and family size, as detailed in Table 1 below (effective June 6, 2023).

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

Effective 6/6/2023 - Area median Income \$175,000 (based on household of 4)								
Income Category	Income Limits by Family Size (\$)							
	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. Analyze results of the goals, policies, and programs in the prior Housing Element;
2. Address the removal of governmental barriers to housing production;
3. Ensure the jurisdiction's housing stock is maintained;
4. Affirmatively further fair housing; and
5. 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 designations 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 the City of Burlingame for each income category, together with numbers of units in the development pipeline for each category:

TABLE 2: REGIONAL HOUSING NEEDS ALLOCAITON (RHNA)

Income Level	RHNA Allocation	“Pipeline” Projects	Unmet Need
Very Low Income (50% AMI)	863	253	610
Low Income (60% AMI)	497	234	263
Moderate Income (80% AMI)	529	97	432
Above Moderate Income (120% AMI+)	1,368	2,224	-856
TOTAL	3,257	2,808	

The 2023-2031 Housing Element maintains the General Plan land use designations and current zoning 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, HCD 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. This is to account for instances where development projects are built at lower densities or different income levels than anticipated, are built as commercial rather than residential projects, or if entitled projects do not proceed to construction.

The Housing Element does not assume significant housing production beyond the RHNA target of 3,257; the buffer is only to ensure that the City has enough properties identified to achieve the RHNA at all income categories without needing to designate additional sites or rezone properties should sites not develop with housing as anticipated. As shown in **Error! Reference source not found.e 3**, the buffers range from 8 percent to 132 percent depending on income category, with a 181% buffer overall:

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TABLE 3: 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	97	2,224	2,808
ADUs	50	50	50	17	167
Key Vacant/Nonvacant Sites	658	363	422	934	2,378
Total	961	647	569	3,175	5,353
Buffer	11%	30%	8%	132%	181%

Source: City of Burlingame Housing Element Table HE-32

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 are 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, and the RHNA met. 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 and available properties 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, or may be redeveloped with housing, but not at the identified income categories. The City must be able to demonstrate an ability to meet its RHNA obligations at all times during the 6th cycle, which is why a buffer is included. 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 in 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 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 some policies and programs from the 2015-2023 Housing Element and added new policies and programs, 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 and providing certification if it determines it substantially complies with state law.

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 (attached) 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 underlines and ~~strikeouts~~. Revisions in the third draft are shown with highlighted underlines and ~~strikeouts~~.

Environmental Review

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 of 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. In particular, a subsequent EIR is needed if one or more of the following are met:

1. Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified shows any of the following:
 - a. The project will have one or more significant effects not discussed in the previous EIR;
 - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR
 - c. Mitigation measures or alternative previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
 - d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

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, that analyzes the Housing Element update and finds that none of the criteria identified above are present.

Under CEQA, the full potential buildout of the plan including buffers must be evaluated. While the Housing Element is intended to plan for 3,257 new units during the 2023-2031 timeframe, the Addendum conservatively evaluates 5,384 units, which includes the 181% 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. Therefore, an addendum has been deemed to be appropriate, rather than a subsequent or supplemental EIR.

Planning Commission Recommendation

At its meeting on November 27, 2023, the Planning Commission recommended approval of the 2023-31 Housing Element and EIR Addendum to the City Council. Commissioners were able to ask questions and noted changes that had been incorporated into the adoption draft. Commissioners also noted a few typos or scrivener’s errors in need of correction, which will be corrected prior to the adopted element being submitted to HCD (meeting minutes attached).

FISCAL IMPACT

There is no direct fiscal impact from adoption of the Housing Element. However, adoption of a certified Housing Element may be a prerequisite for various infrastructure grant funding, such as One Bay Area (OBAG) grants administered by the Metropolitan Transportation Commission (MTC).

Currently, \$3.1 million in OBAG transportation grants for the Rollins Road Bicycle and Ped Improvement Project are contingent upon the Housing Element being adopted by January 1, 2024.

New development is subject to development impact fees. The impact fees will be collected to fund infrastructure improvements, school facilities, and for new commercial development fund affordable housing.

Exhibits:

- 2023-2031 Housing Element – Adoption Draft
- 2023-2031 Housing Element – Revisions in Tracked Changes
 - Draft 2: Underlines and ~~strikeouts~~
 - Draft 3: Highlighted underlines and ~~strikeouts~~
- HCD Letter – November 15, 2023
- Proposed Resolution
- Draft Addendum to the Burlingame 2040 General Plan EIR
- Planning Commission Meeting Minutes – November 27, 2023
- Notice of Public Hearing