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# AGENDA REPORT

## Meeting of the San Marcos Planning Commission

**MEETING DATE:** May 6, 2013  
**SUBJECT:** 2013-2021 Housing Element and General Plan FEIR Addendum  
P13-0018; GPA 13-001

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### Recommendation

1. Adopt the attached resolution recommending certification of the Addendum to the General Plan EIR and adoption of the 2013-2021 Housing Element to the City Council.

### Introduction

The Housing Element is one of seven mandatory elements (chapters) of a General Plan, as required by the State of California. The Housing Element assesses the housing needs of all economic segments of the community and defines the goals and policies that will guide the approach to resolving housing needs through a number of recommended programs. As required by law, the Housing Element must be updated periodically to ensure that it contains the latest available data, addresses any new statutory requirements, and accommodates the Regional Housing Needs Assessment (RHNA). The update also allows the City to evaluate and adjust its housing-related programs to reflect changing community needs and available resources. For San Marcos, this also provides an opportunity to ensure consistency with the newly adopted General Plan. The 2013-2021 Housing Element was submitted to the State of California Department of Housing and Community Development (HCD) and was found in compliance with State housing law. Once approved by the City Council, the Housing Element will be submitted again to HCD for final certification.

### Discussion

The City initiated the update of the General Plan Housing Element in November 2012. On February 21, 2013, the Planning Commission conducted a study session prior to submitting the Draft Housing Element to HCD to discuss the Draft Housing Element. Notification of the study session was published in the *U-T San Diego* newspaper and on the City's website. Agencies and organizations that serve low- and moderate-income and special needs communities in San Marcos and surrounding areas—as well as local



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stakeholders such as developers, neighboring jurisdictions and housing advocates—were invited to review and comment on the 2013-2021 Housing Element and to attend the study session.

Public comments received at the Study Session included the need for more parking spaces for multi-family developments. Staff explained that requirements for affordable housing projects in San Marcos are sufficient based on feedback from affordable housing developers; the ratio was determined based on demonstrated parking needs from existing projects. HCD requires the City to identify all development standards for all types of housing which is in turn used to identify potential constraints to housing production. A high parking ratio could be considered a constraint to the production of housing due to the overall cost of providing parking. As discussed in Section 8.3.2 of the Housing Element, parking requirements in San Marcos are reasonable and are not considered a significant constraint to housing development.

A member of the public also commented on the concentration of affordable housing in the Richmar area and on graffiti and crime issues experienced by neighboring residents. Staff explained that the Richmar area had experienced a tremendous improvement over the past decade and that the conversion of many developments from market-rate multi-family housing to affordable housing has improved the quality of housing for residents in that area. High and medium high density zoning is located along Mission Road and San Marcos Boulevard; there is access to the Sprinter and bus service along these corridors; as well as close access to community/civic resources (Head Start, elementary and middle schools, City Hall, Post Office, Buelow Park, Boys/Girls Club, City Gymnasium, etc). The revitalization and redevelopment of the Richmar area has transformed substandard overcrowded housing. Staff also noted that previous apartment owners did not maintain their developments adequately while affordable housing developers are highly invested in their properties and ensure that maintenance of the properties is a priority. Staff explained that affordable housing developments are subject to strict on-site management and maintenance requirements. Overall, the City's effort to provide quality, affordable housing in this high-need area significantly improved the quality of life for residents in this formerly dilapidated and crime-ridden neighborhood. As appropriate, comments and concerns received at the study session have been integrated into the Draft Housing Element.

The Draft Housing Element was submitted to HCD on February 27, 2013. On March 14, 2013, staff participated in a conference call with HCD staff and the consultant team; HCD provided direction on some clarification (non-substantive) revisions to the Draft Element. HCD requested that the City:

- Add text describing the suitability of the Industrial (I) zone for the development of emergency shelters (consistent with Senate Bill 2 which addresses planning and siting of emergency shelters); See Page 50-51.



- Identify location of text in Housing Element confirming that the City has no distance siting requirements between residential care facilities; See Page 66.
- Modify the Quantified Objectives table (Table 8-48) to include a "Conservation and Preservation" objective consistent with statutory requirements; See Page 129.
- Add a program (Program 11) that directs City staff to monitor the status of affordable housing units and work toward conservation of affordability in the event that the units become at risk of converting to market rent units. Currently, no assisted housing developments in San Marcos are at risk of losing affordability in the next ten years (2013-2023); See Page 125.
- Add text to Program 13 (renumbered to Program 14 in the public hearing Housing Element document) indicating that City will monitor development within the R-3-6 zone to determine whether the development standards in that zone pose a constraint to development; See Page 127.
- Add text to the Housing Element Introduction acknowledging State law (AB162) which requires revisions to the Safety and Conservation Elements related to flood hazards and flood management upon revisions to the Housing Element. The City completed a comprehensive General Plan update in 2012. As such, information on flood hazard and management is up to date. See Page 2.

These minor revisions were made and submitted to HCD via email on March 20, 2013. The Draft Housing Element was found to be in full compliance of State housing element law and received a pre-certification letter from HCD on March 26, 2013 (See attachment).

#### **Housing Element Update Background Information**

The Housing Element was last updated and adopted in December 2005 for the planning period 2005-2010. Government Code Section 65583(a) and (b) requires that the City review its Housing Element in accordance with planning review schedules established by the regional planning agency- which is the San Diego Association of Governments (SANDAG). The 2013-2021 Housing Element covers the planning period of April 30, 2013 through April 30, 2021.

Under State law (Government Code section 65583), the Housing Element must identify and analyze existing and projected housing needs and include a statement of goals, policies, quantified objectives, and statement of programs for the preservation, improvement, and development of housing. To this end, the Housing Element consists of:

- A **Housing Needs Assessment** that includes an analysis of the City's demographic and housing characteristics and trends;
- A review of potential **Housing Constraints** ( market, governmental, and environmental constraints) to meeting the City's identified housing needs;



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- An evaluation of land, administrative, and financial **Housing Resources** available to address the housing goals;
- **A Review of Past Accomplishments** under the previous Housing Element; and
- **A Housing Plan** to address the identified housing needs, including housing goals, policies, and programs.

The Housing Element includes consideration of the Regional Housing Needs Assessment (RHNA) that identifies every jurisdiction's share of future housing units allocated to the San Diego region by HCD during an eight-year planning cycle (2013-2021) based on household income levels. The RHNA allocates San Marcos's share of the region's projected housing needs by household income group. The SANDAG Board of Directors approves the RHNA allocation. San Marcos has a RHNA of 4,183 units for the 2013-2021 planning period, which is allocated by income category indicated below. The RHNA for San Marcos represents 2.6 percent of the region's total housing need for the planning period.

Extremely/Very Low Income:	1,043
Low Income:	793
Moderate Income:	734
Above Moderate Income:	1,613
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Total Construction Need:	4,183

Allocation targets are intended to assure that adequate sites and zoning are made available to accommodate anticipated housing demand during the planning period. The housing allocation targets are not building requirements, but are goals for each community to accommodate through appropriate planning policies and land use regulations. The City is not required to construct the units, only to provide opportunities for developers to pursue housing projects.

Since the RHNA uses January 1, 2010 as the baseline for growth projections for the 2013-2020 planning period, jurisdictions may count toward the RHNA housing units developed, under construction, or approved since January 1, 2010. The City has already achieved approximately one-third of its RHNA with housing units constructed, under construction, or approved. Since January 2010, 1,731 housing units have been developed, under construction, or approved in San Marcos. The remaining RHNA (2,452 units) is satisfied through the identification of vacant sites with proposed developments, general scattered vacant sites, and vacant land within the San Marcos Creek District and University District specific plan areas. Altogether, these sites ensure that adequate sites beyond the remaining RHNA are provided for in the planning period. There are no identified constraints on these sites that would prevent development or reuse during the Housing Element planning period.

Consistent with statutory requirements, the Housing Element also identifies strategies and programs aimed at:



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- Encouraging the development of a variety of housing opportunities;
- Protecting, encouraging, and providing housing opportunities for persons of lower and moderate incomes;
- Preserving the quality of the existing housing stock in San Marcos;
- Minimizing governmental constraints; and
- Promoting equal opportunity for all residents to reside in the housing of their choice.

The intent of the Goals, Policies, and Implementing Programs has remained the same as that presented in the 2005 Housing Element. As part of the update, programs that have been accomplished were removed (e.g., emergency shelter zoning, mixed use areas, reasonable accommodation procedures have been created, and the density bonus ordinance were all updated or created as a result of the General Plan and Zoning Ordinance update). Some programs were discontinued as a formal program but are still implemented through City policy or Ordinance (such as allowing second dwelling units, allowing condominium conversions). In some cases the programs were modified to reflect loss of funding (redevelopment and State/federal funding) and reflect market conditions. Overall, these factors resulted in a significant reduction in new housing construction goals.

The Housing Element contains policies and programs that are consistent with policy directives in all other General Plan elements.

#### **CEQA Determination**

A Final Environmental Impact Report (FEIR 11-44) (SCH #2011071028) for the San Marcos General Plan was prepared by the City of San Marcos in accordance with the California Environmental Quality Act (CEQA). The San Marcos City Council certified the FEIR and adopted the General Plan on February 14, 2012 (CC Resolution 2012-7615). The FEIR analyzed the environmental consequences of the development of the city according to the General Plan. Prior to approval of subsequent actions that constitute a "project" under CEQA, the City is required to determine whether the environmental effects of such actions are within the scope of the project covered by the FEIR, and whether additional environmental analysis is required. If the City finds that pursuant to Sections 15162, 15164, and 15183 of the CEQA Guidelines no new effects would occur, nor would a substantial increase in the severity of previously identified significant effects occur, then no supplemental or subsequent EIR is required. Because the adoption of the 2013-2021 Housing Element is consistent with the newly adopted General Plan and will not have any significant effects that were not discussed in the previous General Plan EIR, the Housing Element is most appropriately reviewed with an Addendum to the General Plan EIR. An Addendum to the General Plan FEIR for the 2013-2021 Housing Element has been prepared as Attachment B. The Addendum is not required to be circulated for public review prior to adoption.

#### **Next Steps**

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Adopted housing elements for the SANDAG region are due to HCD on April 30, 2013. Local governments on eight-year planning cycles that do not adopt a housing element within 120 days of the applicable deadline (August 28, 2013) are required to subsequently revise the housing element every four years until the jurisdiction has adopted at least two consecutive revisions by the statutory due date. The Draft Housing Element will be presented to the City Council on June 11, 2013 for adoption. The Housing Element will be forwarded to HCD for final certification contingent upon City Council approval.

Staff recommends the Planning Commission make a recommendation of approval of the attached resolution for the adoption of Addendum to the General Plan EIR and the 2013-2021 Housing Element and adoption of the 2013-2021 Housing Element.

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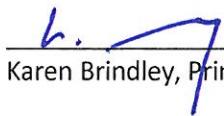
**Attachment(s)**

Adopting Resolution

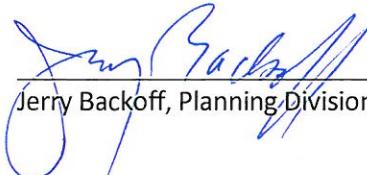
A- Addendum to the General Plan FEIR (EIR 11-44/SCH #2011071028)

B-Letter of Acceptance of Housing Element from HCD (March 26, 2013)

Prepared by:

  
Karen Brindley, Principal Planner

Approved/Submitted by:

  
Jerry Backoff, Planning Division Director

RESOLUTION PC 13-4345

A RESOLUTION OF THE CITY OF SAN MARCOS PLANNING  
COMMISSION RECOMMENDING TO THE CITY COUNCIL  
ADOPTION OF THE 2013-2021 GENERAL PLAN HOUSING  
ELEMENT AND CERTIFICATION OF THE GENERAL PLAN FEIR  
ADDENDUM (FEIR 11-44/SCH 2011071028)

GPA 13-001 (P13-0018)  
City of San Marcos

WHEREAS, the City of San Marcos has initiated a review and update of the City of San Marcos General Plan Housing element pursuant to the periodic review requirements for housing elements required under Government Code Section 65583; and

WHEREAS, on October 28, 2011, the San Diego Association of Governments adopted and released a final report on its regional housing needs assessment establishing regional fair share housing allocations ("RHNA allocation") for each city in the San Diego region; and

WHEREAS, the City has retained a consultant to assist in the preparation of the Draft Housing Element; and

WHEREAS, the Draft Housing Element, attached as Exhibit A, has been prepared for the planning period of 2013-2021 and submitted to the Planning Commission for review and recommendation; and

WHEREAS, the Draft Housing Element consists of an extensive analysis of housing needs and conditions in the city and comprehensively addresses the statutory requirements of Government Code Section 65583 relating to housing element requirements; and

WHEREAS, the Planning Commission held a study session on February 21, 2013 to review the Draft Housing Element and receive public testimony; and

WHEREAS, public comments and concerns, where appropriate, have been integrated into the Draft Housing Element; and

WHEREAS, City staff has been in consultation with the State of California Department of Housing and Community Development ("HCD") regarding compliance with Government Code Section 65583, including City consideration of HCD guidelines; and

WHEREAS, the City has submitted the Draft Housing Element to HCD on February 27, 2013; and

WHEREAS, HCD suggested non-substantive revisions to the Draft Housing Element, and those revisions have been incorporated into the Draft Housing Element as submitted to the Planning Commission; and

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WHEREAS, HCD, in a letter to City dated March 26, 2013, has made findings pursuant to Government Code Section 65585(b) that the Draft Housing Element, in its current form, is in substantial compliance with housing element statutory requirements; and

WHEREAS, on February 14, 2012, the City Council adopted and certified the Final Environmental Impact Report (FEIR 11-44) (SCH #2011071028) for the San Marcos General Plan (CC Resolution 2012-7615); and

WHEREAS, based upon Section 15164(b) of the California Environmental Quality Act (CEQA) Guidelines, an EIR Addendum was prepared for this Housing Element Update; and

WHEREAS, said EIR Addendum relies on Section 15162 of the CEQA Guidelines in determining that additional environmental analysis is not necessary and that the original environmental analysis, mitigation measures and findings adopted in the prior EIR are still applicable; and

WHEREAS, the Planning Commission conducted a noticed public hearing on May 6, 2013, regarding its consideration of the Draft Housing Element.

NOW, THEREFORE, THE PLANNING COMMISSION RESOLVES AS FOLLOWS:

1. The forgoing recitals are true and correct.
2. The Planning Commission has reviewed the General Plan Housing Element and associated CEQA documentation.
3. The Planning Commission finds that the 2013-2021 Housing Element addresses all of the statutory requirements relating to General Plan Housing Element requirements set forth in Government Code Section 65583.
4. The Planning Commission finds, on the basis of the whole record before it, that the Housing Element Update FEIR Addendum, together with the General Plan FEIR, have been prepared in compliance with CEQA and adequately addresses the environmental impacts of this update.
5. The Department of Housing and Community Development, State of California has made a finding that the Draft Housing Element in the form of Exhibit A is consistent with State statutory requirements.
6. The 2013-2021 Housing Element is consistent with the other elements of the City's General Plan.
7. The proposed updated General Plan Housing Element will not be detrimental to the public convenience, health, safety or general welfare of the City.

BE IT THEREFORE FURTHER RESOLVED that based on the public information provided, the public comments received, on the staff report regarding the matter, and on the findings stated above, the Planning Commission hereby recommends that the City Council take the following action:

1. Certify the April 2013 Addendum to the 2012 General Plan FEIR, and
2. Adopt the 2013-2021 San Marcos General Plan Housing Element as presented to the Planning Commission at the hearing on May 6, 2013.
3. Direct staff to forward the 2013-2021 San Marcos General Plan Housing Element to HCD for final certification.

The City of San Marcos General Plan Housing Element for the 2013-2021 planning period and Addendum to the General Plan FEIR is hereby recommended to the City Council for approval.

PASSED AND ADOPTED by the Planning Commission of the City of San Marcos, State of California, at a regular meeting thereof, this 6th day of May, 2013, by the following electronic vote:

AYES:

NOES:

ABSENT:

APPROVED:

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Dean Nelson, Chairman  
SAN MARCOS CITY PLANNING COMMISSION

ATTEST:

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Lisa Kiss, Office Specialist III  
SAN MARCOS CITY PLANNING COMMISSION

ATTACHMENT: Exhibit "A"