

Petaluma Housing Element FAQ

What is the Housing Element?

The City of Petaluma is mandated by State law to update its Housing Element and have it certified by California's Department of Housing and Community Development (HCD) every eight years. The 6th Housing Element will shape and guide housing development from 2023 through 2031.

The Housing Element is a chapter of the General Plan. It addresses Petaluma's housing needs for the next eight years, identifies opportunities to support the development of needed housing, and establishes clear goals and policies to inform future housing decisions.

The purpose of the Housing Element is to facilitate the production of a variety of housing types, at different income levels, for different household and family types. The Housing Element seeks to support housing production, improve, and preserve existing housing in the community, and promote fair housing.

The Housing Element does not change regulations related to land use, height, or density of development; implement specific controls for individual neighborhoods; or amend the Zoning Map or Planning Code.

How does the Housing Element relate to other planning efforts?

In addition to updating the Housing Element, Petaluma is in the process of updating its General Plan. The Housing Element will align with the Petaluma General Plan's overall vision, goals, and policies. The General Plan will plan for growth over the next 20-30 years, while the Housing Element is focused on supporting affordable housing availability over an eight-year horizon. Community input for the General Plan and Housing Element will inform both projects.

What is RHNA?

Every eight years, the State determines the housing needs for California and each region in the state based on growth projections and the current housing deficit. These are assigned at the regional level and then assigned to counties and cities. California housing element law requires that each city and county develop local housing programs to meet its "fair share" of existing and future housing needs for all income groups, as determined by the jurisdiction's council of governments. This is termed the Regional Housing Needs Allocation (RHNA).

For Petaluma, the Regional Housing Needs Allocation (RHNA) is the share of housing assigned by the Association of Bay Area Governments (ABAG), the regional council of governments that covers the Bay Area, for the eight-year planning period (January 31, 2023, to January 31, 2031). The RHNA represents the minimum number of housing units each community is required to provide "adequate sites" for through zoning and is one of the primary threshold criteria necessary to achieve State certification of the

Housing Element. Each city must then update the Housing Element of its general plan to show the locations where housing can be built and the policies and strategies necessary to meet the community's housing needs.

What is Petaluma's RHNA?

The 6th cycle RHNA for Petaluma is 1,910 housing units with a delineation by income categories to ensure that housing is planned for households at all economic levels. The breakdown by income category is defined below:

Very Low Income: 499Low Income: 288Moderate Income: 313

• Above Moderate Income: 810

How is affordable housing defined?

Housing is considered 'affordable' if it doesn't exceed 30% of the household's monthly income (including rent, utilities, and mortgage). The four income categories are defined based on the Area Median Income in Sonoma County:

Extremely Low Income: Less than 30% of AMI
 Very Low Income: Between 30% and 50% of AMI

Low Income: Between 50% and 80% of AMI

• Moderate Income: Between 80% and 120% of AMI

Income Level	Income Limits By Household Size							
	1	2	3	4	5	6	7	8
Extremely Low Income (ELI) <30% AMI	\$24,450	\$ 27,950	\$ 31,450	\$34,900	\$ 37,700	\$ 40,500	\$ 43,300	\$ 46,100
Very Low Income (VLI) 30-50% AMI	\$ 40,750	\$ 46,550	\$ 52,350	\$ 58,150	\$ 62,850	\$67,500	\$72,150	\$76,800
Low Income (LI) 50-80% AMI	\$ 65,150	\$74,450	\$ 83,750	\$ 93,050	\$ 100,500	\$ 107,950	\$ 115,400	\$ 122,850
Median 100% AMI	\$ 72,300	\$ 82,650	\$ 92,950	\$ 103,300	\$ 111,550	\$ 119,850	\$ 128,100	\$ 136,350
Moderate 120% AMI	\$ 86,750	\$ 99,150	\$ 111,550	\$ 123,950	\$ 133,850	\$ 143,800	\$ 153,700	\$ 163,600

Income Limits by Household for Sonoma County. Source: HCD, 2021

How did the City select sites to identify in the Public Draft Housing Element?

As defined by recent <u>Guidance</u> from the state, sites identified in the Housing Element must be available and suitable for residential development with appropriate zoning, development standards, and infrastructure capacity. These sites must demonstrate realistic redevelopment potential for the next eight years.

This process began by evaluating sites included in the 5th Cycle Housing Element and other sites that are currently zoned for residential use. When considering sites to include in the site inventory of the housing element, the City considered physical factors (size and shape of the parcel), existing use (vacant land or low density), environmental factors (high-value habitat areas, safe from hazards like flood, fire or earthquake), social factors (preventing concentration or burdening of low income areas) and economic factors (areas with low opportunity, access to transit, schools, and parks), potential climate impact, and community and leadership feedback.

More detail on this process is included in the <u>Staff Report from the City Council Meeting on July 18th, 2022, and <u>Appendix C - Resources and Opportunities</u> included in the Public Draft of the Housing Element (<u>link</u>).</u>

How is the Housing Element implemented?

The Housing Element is approved and adopted into the General Plan by the Petaluma City Council and demonstrates that the city has enough capacity to meet its RHNA assignment. It sets goals, objectives, and actions to be implemented during the next eight years (2023-2031). The city must provide annual reports to the California Department of Housing and Community Development (HCD) on its progress in implementing the Housing Element.

What is Fair Housing?

The Fair Housing Act of 1968 prohibits discrimination in the sale, rental, and financing of housing based on race, religion, and national origin. Over time the law expanded its protections to include discrimination based on sex, disability, and familial status. Assembly Bill 686, passed in 2018 by the California State Legislature, expands the fair housing requirements and protections outlined in the Fair Employment and Housing Act (FEHA). All Housing Elements are required to go beyond combating discrimination by affirmatively furthering fair housing (AFFH).

What are the consequences if Petaluma does not adopt a Housing Element?

- If a jurisdiction fails to adopt a compliant Housing Element, it could face fines and lawsuits from the State.
- A court may limit local land use decision-making authority until the City brings its Housing Element into compliance.
- An HCD certification establishes a "rebuttable presumption of validity" that the Housing Element complies with State law, which would support the City's legal defense.

• Various State of California grants and funding programs for transportation, infrastructure, and housing are only available to cities that have HCD certified Housing Elements.

Why are we planning for new homes if there is a drought?

The City of Petaluma is focused on both planning for our water supply and complying with state laws and community needs related to housing production. The Housing Element Public Draft is identifying housing capacity on sites already zoned for housing, for which environmental planning and documentation, including water supply, was completed before this planning effort. For up-to-date information on how the city is addressing our water needs, please click here: <u>City of Petaluma Water Delivery and Quality – Learn More</u>.