



COUNCIL AGENDA: 12/3/2019

ITEM: 2.21

FILE NO: 19-1098

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: December 3, 2019

SUBJECT: Regional Countywide Planning Collaborative Resolution

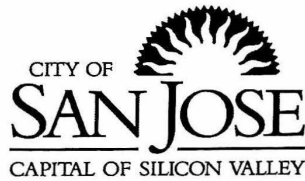
RECOMMENDATION:

As recommended by the Rules and Open Government Committee on November 20, 2019:
Adopt a resolution:

- (a) Approving the City's participation in a County-wide Planning Collaborative among the cities within the County of Santa Clara and the County of Santa Clara, to be facilitated by the Cities Association of Santa Clara County; and
- (b) Authorizing the City Manager to negotiate and execute an agreement with the agencies specified above to:
 - (1) Outline how the collaborative planning effort will work; and
 - (2) Authorize the City of San José's share of the cost of the collaborative, including the cost of hiring a consultant to provide planning-related services for the Planning Collaborative, in an amount not to exceed \$3,150 if all agencies join the collaborative, or not to exceed \$5,000 if 10 or more agencies join the collaborative.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Mayor and Jones)

[Rules Committee referral 11/20/2019- Item G.1(a)]



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Mayor Sam Liccardo
Vice Mayor Chappie Jones

**SUBJECT: REGIONAL COUNTYWIDE
PLANNING COLLABORATIVE
RESOLUTION**

DATE: November 14, 2019

Approved

Date

11/14/19

RECOMMENDATION

Schedule Council's adoption of a Resolution to:

1. Approve City's participation in a County-wide Planning Collaborative among the cities within the County of Santa Clara and the County of Santa Clara, to be facilitated by the Cities Association of Santa Clara County; and
2. Authorize the City Manager to negotiate and execute an agreement with the agencies specified above to:
 - a. Outlining how the collaborative planning effort will work, and
 - b. Authorizing the City of San Jose's share of the cost of the collaborative, including the cost of hiring a consultant to provide planning-related services for the Planning Collaborative, in an amount not to exceed \$3,150 if all agencies join the collaborative, or not to exceed \$5,000 if 10 or more agencies join the collaborative.

BACKGROUND

On January 15, 2019, City Council reviewed recommendations from the Cities Association of Santa Clara County (Cities Association) and unanimously passed a resolution supporting consideration of forming a Santa Clara County Regional Housing Need Assessment (RHNA) Subregion (Attachment A). Based on the experience of other subregions, such as San Mateo, Solano and Napa, the primary benefit of forming a subregion includes better coordination and communication between jurisdictions as to where they build their housing across all incomes in the region.

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As San Jose's Board Representative to the Cities Association, a member organization made up of the 15 cities of Santa Clara County, Vice Mayor Jones has been serving on the RHNA Subregion Task Force since 2015. Along with representatives and staff of other jurisdictions, as Chair, he was tasked with evaluating the feasibility of a subregion in the upcoming RHNA Cycle 6 (2022-2030). Upon evaluation and consideration of several factors, the Cities Association Board recommended to not form a RHNA subregion, but instead to form a Planning Collaborative that could still foster the coordination and communication needed for better planning of housing in Santa Clara County. Some of the determining factors as to why a Santa Clara County subregion is no longer recommended include the following:

1. Consideration of forming a subregion was pursued on the condition of using the Association of Bay Area Governments' (ABAG) regional methodology to determine each individual jurisdiction's RHNA share in Santa Clara County. With those numbers, it was expected that jurisdictions could discuss any housing number trades and any resource sharing. However, recent changes in state law no longer allow subregions to use ABAG's methodology as a starting point. In the next RHNA Cycle 6 (2022 – 2030), subregions now have to develop their own methodology and submit it for review and approval by the State Department of Housing & Community Development (HCD). Development of the RHNA methodology is estimated to require significantly more staff time and will cost at least 3-4 times more than originally estimated.
2. RHNA allocation numbers are anticipated to be much higher (50% to 200% higher based on the results in other regions of the state) in the upcoming cycle; this will likely limit desire for jurisdictions to "trade" and take on higher numbers.
3. New added restrictions on methodology and RHNA trading; methodology must meet the new requirement of furthering state objectives and complying with "fair housing."

On October 10, 2019, the Cities Association Board considered these factors and the recommendation, unanimously voted to form a Planning Collaborative, and is now requesting for member cities to adopt Resolutions (Attachment B) of support by the end of November 2019, authorizing payment of \$3150 per jurisdiction, not to exceed \$5,000 if at least 10 jurisdictions participate. The funds equally contributed by participating jurisdictions, an estimate of \$50,000, will be used for the procurement of a planning consultant to facilitate multi-jurisdictional services and tools in support of the RHNA process, RHNA methodology, recently enacted housing laws, pending housing laws, and other related matters. In the event that less than 10 agencies approve participation in the collaborative, the Cities Association will likely reconsider moving forward. To date, about eight jurisdictions have approved participation and additional jurisdictions will likely be considering participation by the end of November 2019.

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The proposed Planning Collaborative is modeled after San Mateo County's *21 Elements*, which has been quite successful in fostering collaboration and providing a forum in which resources and best practices are shared. Though San Mateo County and its cities formed a subregion in the last two RHNA cycles, they have opted to not form a subregion and to utilize *21 Elements* as its forum of collaboration in the upcoming RHNA cycle.

Cities in Santa Clara County have historically fallen behind in meeting their RHNA goals. The state is experiencing a severe housing crisis at all income levels. The status quo of individual jurisdictions planning for housing without coordination is leading to a region where homes are not located near jobs. This imbalance creates traffic, increases vehicle miles traveled and pollution, and makes it very expensive to live near employment centers. The proposed Countywide Regional Planning Collaborative is an opportunity for planning officials to work collaboratively across jurisdictions to discuss and potentially implement solutions to this imbalance.

The initial request for funding is intended to "kick-off" the Planning Collaborative (Attachment C). Should the effort continue and additional funding is needed, administration shall return to Council with an update and subsequent request for funding.

RESOLUTION NO. 78951

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE OF INTENT TO SUPPORT FORMATION OF A HOUSING SUBREGION OF SANTA CLARA COUNTY LOCAL AND COUNTY GOVERNMENTS TO FACILITATE AND IMPLEMENT COUNTYWIDE HOUSING PRODUCTION CONSISTENT WITH REGIONAL HOUSING NEEDS ALLOCATION (RHNA) FORMULA CURRENTLY ASSIGNED BY THE ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG)

WHEREAS, Housing Element Law (California Government Code Sections 65580-65589.8) provides for a Regional Housing Needs Allocation process (RHNA); and

WHEREAS, to implement such RHNA process in the San Francisco Bay Area, the State of California has delegated to the Association of Bay Area Governments (ABAG) responsibility to adopt an allocation methodology, then use the adopted methodology to assign to each jurisdiction in the Bay Area the obligation to zone enough housing development capacity to accommodate production of a specific number of housing units during the period from 2023 through 2031; and

WHEREAS, Government Code Section 65584.03 provides that certain combinations of local governments may form a subregion to perform RHNA for themselves in order to allocate among themselves the total number of housing units assigned to them collectively by ABAG; and

WHEREAS, the City of San José is interested in exploring the formation of a RHNA subregion consistent with the California Government Code Section 65584 *et seq* and acceptable to the Association of Bay Area Governments (ABAG) and the California Department of Housing and Community Development (HCD) to facilitate collaboration with the county and all cities in the County of Santa Clara, to efficiently and effectively deliver housing production goals; and

WHEREAS, the Board of the Cities Association of Santa Clara County has directed the review of the benefits of such a subregion and subsequently representatives of the Cities Association of Santa Clara County (CASCC) have formed a committee to ~~evaluate and make recommendations regarding the importance of and opportunities for~~ success through shared housing strategies which could be facilitated by a subregional effort; and

WHEREAS, housing is a countywide challenge, and housing production types, numbers, density, appropriateness and affordability levels can vary in different communities, and the Cities' recognize all production types are important to the housing supply of the County and its related economic and social health; and

WHEREAS, Cities are individually accountable for, and retain full local authority for, identifying sites for housing development and for adopting and implementing housing policies intended to facilitate production of housing to meet local, regional and state policy objectives embodied in the numbers prescribed by ABAG in the Sustainable Community Strategy that will be adopted by ABAG and the Metropolitan Transportation Commission (MTC) in 2021; and

WHEREAS, through mutual cooperation and planning, the production of these housing units may be enhanced through collective efforts and resources, therefore creating a forum for developing countywide policy consensus on matters related to the Sustainable Community Strategy;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

Section 1: That it is in the best interest of the City to join with other cities in Santa Clara County to explore creation of the RHNA subregion and that by working together to plan for housing growth, the stage is set for implementing housing and more housing will ultimately be built to meet the needs of the entire County and its residents.

Section 2: That the City Manager is hereby authorized and directed to enter into discussions regarding the formation of a RHNA subregion and the development of a workplan and budget, and schedule of actions leading to the countywide, self-administration of the housing needs allocation process, allocating the countywide total housing needs allocation among all the Cities and unincorporated County by consensus; and to bring back a recommendation and resolution for action to join a RHNA subregion, or in the alternative, an explanation detailing the decision not to participate in the RHNA subregion.

ADOPTED this 15th day of January, 2019, by the following vote:

AYES: ARENAS, CARRASCO, DAVIS, DIEP, ESPARZA,
FOLEY, JONES, JIMENEZ, KHAMIS, PERALEZ;
LICCARDO.

NOES: NONE.

ABSENT: NONE.

DISQUALIFIED: NONE.



SAM LICCARDO
Mayor

ATTEST:



TONI J. TABER, CMC
City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AN AGREEMENT WITH THE PARTICIPATING LOCAL GOVERNMENT AGENCIES OF THE CITIES ASSOCIATION OF SANTA CLARA COUNTY AND THE COUNTY OF SANTA CLARA TO FORM A COUNTY-WIDE PLANNING COLLABORATIVE AND APPROVING THE CITY OF SAN JOSE'S FUNDING SHARE IN AN AMOUNT NOT TO EXCEED \$5,000 FOR PLANNING CONSULTANT SERVICES

WHEREAS, the City of San José (San José) is a member of the Cities Association of Santa Clara County (Cities Association); and

WHEREAS, the Board of Directors of the Cities Association has recommended that the Cities Association form a Planning Collaborative among the member agencies and the County of Santa Clara (County) to endeavor to agree upon and use a balanced multi-jurisdictional approach and voice regarding the upcoming Regional Housing Needs Allocation (RHNA) processes, regional planning and funding issues, pending state laws, and other housing implementation issues that could result in greater effectiveness in the region's responses to these issues; and

WHEREAS, the Planning Collaborative would benefit from the services of a planning-related consultant to assist in the evaluation of the RHNA, pending state laws, and other housing and planning related matters.

WHEREAS, the Cities Association members recognize that each jurisdiction has a responsibility to plan for its fair share of housing desire to work collaboratively to enable the production of needed housing in the region; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE, AS FOLLOWS:

1. The San José City Manager is hereby authorized to enter into an agreement with other member agencies of the Cities Association and/or the County to:
 - a. Form a Planning Collaborative to be administered by the Cities Association to further San Jose's desire to work cooperatively with other cities in the County of Santa Clara and the County of Santa Clara on balanced and reasonable regional planning and housing efforts when in furtherance of San Jose's interests; and
 - b. Fund an equal share with the other agencies participating in the Planning Collaborative to pay the cost of services of a planning consultant in an amount not to exceed:
 - i. \$3,125 if all Cities Association members and the County participate in the Cities Association Planning Cooperative; or
 - ii. \$5,000 if 10 or more, but not all, Cities Association members and/or the County participate in the Planning Cooperative.
2. In the event that less than 10 members of the Cities Association and/or the County execute the agreement to participate in the Planning Cooperative, the authorization in Section 1 herein shall have be void and have no force and effect, and the City Manager or his or her designee shall advise the City Council of the Cities Association's recommendation if there are less that 10 agencies who agree participate in the Planning Collaborative.

ADOPTED this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

Planning Collaborative: How to Kick Off the Effort with \$50,000

Organizational Structure

1. Amend MOU/Resolution created for the Subregion to create the Planning Collaborative.

Setting up and undertaking coordination and peer learning opportunities

1. Help cities understand the new housing laws and what is required to implement them
2. Meetings involving all jurisdictions that could cover presentations from outside experts (maybe HCD, ABAG, etc.), new state laws, housing element requirements, sharing needs and best practices, etc.
3. Organizing mechanisms — email lists and jurisdiction contacts, website? etc.
4. Relationship with other entities — SCAPO, etc.
5. Participation in regional discussions, such as the ABAG Methodology committee, implementation of the CASA enabling law (if its signed by the Governor), etc.
6. Query jurisdictions about countywide strategies they might want to pursue (such as and linkage with PDA's, etc.)
7. Become a resource to answer staff questions about housing related topics

Informational Materials (for housing elements primarily but other as well, such as new state laws, etc.)

1. Help raise awareness about the need to rezone/prepare now.
2. Provide other informational materials and important messaging points (such as fact sheets, etc.)
3. Presentation materials (PowerPoints, props, etc.) — such as presentation and materials explaining RHNA and housing elements and the importance of housing element certification
4. Draft staff reports
5. Other background materials as identified
6. Sharing SB2 technical assistance and planning grants materials

Immediate Housing Element update assistance

1. Help in identifying sites and development capacity based on new state law requirements
2. Provide support around the linkage between land use types and housing development feasibility (examples of successes in the county)
3. Confirm approach to special issues, such as counting ADU's, etc.
4. Other

Other

2. Create a Santa Clara County ADU Calculator