



MEETING DATE: October 9, 2024

AGENDA ITEM: 7. 7th Cycle Housing Element Update

FROM: Karen Downs

RE: 7th Cycle Housing Element

BACKGROUND:

After review at the August 28, 2024 City Council meeting, the draft 7th Cycle Housing Element was available for public review and comment through September 26, 2024. No comments were received, however, recent information regarding the approved housing developments in Portola has emerged.

The draft has been updated to reflect the current status of the Portola 192 and Woodbridge/Portola Highlands developments.

EXECUTIVE SUMMARY:

RECOMMENDATION:

Staff recommends the following motion regarding the 7th Cycle Housing Element: “Following review of the updated draft of the 7th Cycle Housing Element, the City Council directs staff to submit to the State Department of Housing and Community Development.”

ATTACHMENTS:

- A. PUBLIC REVIEW DRAFT- CITY OF PORTOLA 7TH CYCLE HOUSING ELEMENT - REDLINE PAGES

Approved Housing Developments Housing Opportunities

Portola Highlands and Portola 192 are areas within the City with the opportunity to have larger-scale housing developments. The information below is provided based on the underlying zoning designation and development potential of the sites. -with approved Tentative Maps.

Portola Highlands

The 398 acre Portola Highlands ~~project area allows for is a 398-acre~~ residential and commercial development. The ~~maximum anticipated residential~~ development ~~potential is will be~~ 1,005 dwelling units (DUs) plus mixed use and commercial area, broken down as follows:

- Low Density Residential: 189 dwelling units
- Medium Density Residential: 522 dwelling units
- High Density Residential: 234 dwelling units
- Mixed use multi-family residential: 60 dwelling units
- Commercial Development: 170,000 square feet, including 25,500 square feet of retail, 68,000 square feet of office, and 76,500 square feet of light industrial.

The project is currently undeveloped and represents the largest contiguous undeveloped area within the corporate limits of the City, full development will ultimately double the size of the City of Portola. Residential land uses will include a broad variety of housing types and styles, compatible with existing housing in the City of Portola. Housing types will include single family homes, attached housing, and senior housing. It is anticipated that the residential units will range from approximately 800 square feet to 4,000 square feet.

Residential unit types will range from small homes and apartments to large, estate homes. The predominant lot size range is 8,000 to 12,000 square feet. The dwelling sizes in these parcels would range from approximately 1,600 square feet to 3,200 square feet. There is also an affordable housing obligation which will be detailed in the inventory analysis presented in chapter three of this document.

There is an approved Development Agreement (DA) on the project site, however there has been no construction activity since it was approved in 2007. In accordance with the DA, the City Council will conduct a review of the may consider canceling and terminating it for inactivity.

Portola 192

~~The approved Final Map (Resolution No. 1881, June 28, 2006) for The~~ Portola 192 ~~area is allows for~~ residential and commercial development opportunities, as follows:

- approximately ~~183-189~~ single family homes ~~ranging from .52 to 1.15 acres~~
- ~~6~~ single family homes ranging from 2 to 3 acres
- maximum of 10,000 square feet of retail and/or service commercial use
- approximately 70 multi-family housing units

The project is currently undeveloped and there has been no -construction activity since it was approved in 2003.

In 2018, an application for the Affordable Housing and Sustainable Communities Program was submitted for the construction of affordable housing on the project site. Although the application was not funded, it is ~~expected possible~~ that ~~the a similar~~ project ~~will~~may be submitted for additional ~~similar~~ funding opportunities. The project concept includes 72 affordable rental units in two-story structures plus a 3,500 sq. ft. community building with leasing offices, kitchen, computer lab, bike storage with bike repair kiosk, and common laundry facilities. As included in the AHSC application, 15 units are intended to be restricted to 30% AMI, 26 units to 50% AMI, and 30 units to 60% AMI, plus the manager's unit.

DRAFT



Table 27: Income Groups- Plumas County 2021 (4 persons per household)

Income Group	Number of Households	Income Range (\$)
Extremely Low Income	1,656	\$0 to \$24,999
Very Low Income	656	\$25,000 to \$34,999
Low Income	1,260	\$35,000 to \$49,999
Median Income	1,518	\$50,000 to \$74,999
Moderate Income	964	\$75,000 to \$99,999

Source: HCD Income Limits; 2021

For the period 2019-2024, the City of Portola has been given a construction need (through the HCD Regional Housing Needs Assessment (RHNA)) of 37 new affordable housing units; 6 Very Low, 7 Low, 6 Moderate, and 18 Above Moderate income group units. The specific need by income group is detailed in the Table 28. Since 2019, there has been 2 Certificates of Occupancy issued for conventional homes and 0 for manufactured homes. The Site Inventory (Section 3.2) establishes land available for these 37 RHNA units.

Table 28: Regional Housing Need Allocation

Projected Needs (Regional Housing Need Allocation)						
Jurisdiction	Very-Low	Low	Moderate	Above-Moderate	Total	
Plumas County	44	31	35	81	191	
Portola	6	7	6	18	37	
Percentage of Total	16%	19%	16%	49%	100%	19%
Unincorporated Plumas County	38	24	29	63	154	
Percentage of Total	24.7%	15.6%	18.8%	40.9%	100.0%	81%

* For Extremely Low Income jurisdictions may either use available Census data to calculate the number of projected extremely low-income households (see Overpayment tab) or presume 50 percent of the very low-income households qualify as extremely low-income households. Source: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/housing-element/plumas-county-regional-housing-need-determination-and-plan-for-the-seventh-housing-element.pdf>

Portola Highlands ~~is currently the largest proposed development within City Limits~~ represents the largest contiguous undeveloped area within the corporate limits of the City. The anticipated development at build out will develop approximately 1,005 housing units ~~as a condition of approval~~ and the Development Agreement includes that, 12% of the proposed housing is required to be affordable to low- and moderate-income households consistent with the City’s Housing Element. Of the 1,005 units 189 are approved for low-density residential, 522 for medium-density residential, 234 for high density residential, and 60 in commercial mixed-use development. Approximately 121 units, including the 60-unit senior complex mentioned above, are required to target low- and moderate-income households. The remaining housing units will be available for above moderate-income households and are not expected to be deed restricted. The remaining low-income units are proposed to be Low Income Housing Tax Credit (LIHTC, an indirect Federal subsidy) units in a multi-family complex.



The Portola Highlands Affordable Housing Master Plan includes the following:

- Deed restrictions shall be placed for a minimum of thirty years.
- Due to the estimated number of years required to achieve project build-out the MP is to be revised to include some mechanism for re-considering the allocation of housing type over time so as to allow for some flexibility for both the developer and the City to address needs as they may change over time. This mechanism will require city approval and adoption at a publicly noticed hearing.
- A 1 to 1 ratio for low vs. moderate income units is required and that a 55 to 45 ratio be applied to for sale units vs. rental units based on census bureau statistics.

Although no very-low or extremely-low are required of this project, the City will support any developer of affordable housing within the Portola Highlands project with assistance in their application for affordable housing funds which will result in the development of very-low and extremely-low units on-site. This will be made a policy of this Housing Element. In addition, all sites within the project area that are zoned high density ~~will be eligible for re-zoning to a potential~~ have a maximum density of 15 units per acre, subject to environmental review.

There is an approved Development Agreement (DA) on the project site, however there has been no construction activity since it was approved in 2007. In accordance with the DA, the City Council may conduct a review of the DA and consider canceling and terminating it for inactivity.

The Portola 192 area has an underlying zoning designation of Low Density Residential and Commercial Mixed Use. With existing project approvals, there is no ~~project does not include a~~ requirement for affordable housing to be provided. However, it is ~~anticipated possible~~ that the multi-family portion of the project (72 units) will be built as affordable housing. As included in the previously-submitted AHSC Application, 15 units ~~will~~ would be restricted to 30% AMI, 26 units to 50% AMI, and 30 units to 60% AMI, plus the manager’s unit.

Table 29: Units Built, Under Construction, and/or Approved

Project Name	Status (Built, Under Construction, Approved)	Total Units	Number of VL/ED Units	Number of L Units	Number of M Units	Number of Above Moderate Units	Methodology of Affordability Determination
Portola Highlands	Approved (Tentative Map)	1,005	0	60	61	884	Sales Price Rent Price
Portola 192- Multi-Family	Approved	72	15	56	0	0	Rent Price
Portola 192- Single Family	Approved (Tentative Map)	189				189	N/A
TOTAL		1,266					

