



January 27, 2023

Paul McDougall
State Department of Housing and Community Development
C/O Land Use and Planning Unit
2020 W. El Camino Ave, Suite 500
Sacramento, CA 95833

RE: Submission of Revised and Locally Adopted Housing Element for the City of San Mateo

Dear Mr. McDougall,

The City of San Mateo is pleased to submit its Revised and Locally Adopted Housing Element for the State of California's sixth housing cycle (2023-2031) to the Department of Housing and Community Development (HCD) for review and certification. The Housing Element has been updated to respond to all of the comments contained in HCD's first review letter received on September 28, 2022.

The Revised Draft Housing Element was made available for public review and comment for 10 days between **December 30, 2022 and January 9, 2023**, which exceeded the seven-day requirement in AB215 for revised housing elements. It was posted to the City's website and all interested parties were notified of the publication. Additional outreach, including multiple newspaper ads in the San Mateo Daily Journal, social media posts and eblasts to all City maintained mailing lists, was completed to ensure community awareness of the revised document.

To comply with statutory requirements that jurisdictions need to have a locally adopted housing element by January 31, 2023, a Planning Commission public hearing was held on January 12, 2023 to consider the document and make a recommendation to the City Council. On January 24, 2023, the City Council held a public hearing to receive public comments and consider the Revised Draft; and ultimately voted unanimously to adopt the 2023-2031 Housing Element based on findings that the document was in substantial compliance with statutory requirements. The adopting resolution is attached for reference. Exhibit A in the resolution includes a matrix that lists each applicable state statute and how the Housing Element is in substantial compliance. Exhibit B in the resolution includes a matrix of HCD comments and how the Housing Element was revised to address that comment.

A tracked changes version of the Housing Element is also included to support your review of the revised document. In addition to the revisions in response to HCD comments, the City made additional revisions to correct text errors, update the Sites Inventory to reflect current circumstances, and in response to public comments.

The Revised Housing Element includes some notable revisions and clarifications that we would like to highlight to demonstrate the City's commitment to expanding housing production, meeting and exceeding our Regional Housing Needs Allocation (RHNA), and doing our part to address the region's housing crisis.

General Plan Update and Measure Y

The City is in the process of completing a comprehensive General Plan Update (GPU), with a target for adoption by the end of 2023. As part of this process, we have been working to build community consensus around a path forward with Measure Y – the City's voter approved growth limits – since the draft land use map includes densities that exceed Measure Y's density limit of 50 units per acre. With our adoption schedule, an updated ballot initiative would be brought before the voters in 2024. The Housing Element has been updated to provide more information about the GPU, articulate the Housing Element's relationship to the GPU and how addressing Measure Y as part of the GPU is a key action that would enable San Mateo to unlock a significant amount of additional housing capacity. To show our commitment to successful completion of the GPU process, a new policy has been added to the Housing Element to commit to completing the GPU effort and building community consensus around a path forward with Measure Y (pages H-40 and H-41, and Policy H1.21). Right now, we have a draft land use map, which was accepted by our City Council last July, that will significantly increase density (up to 200 du/ac) around the City and allow for up to 21,000 new housing units to be built over the next 20 years when the GPU is adopted.

Housing Sites Inventory

There were multiple comments related to the feasibility and realistic capacity of the opportunity sites included on the City's Sites Inventory and there have also been public concerns raised about their being able to meet our statutory requirements without including a policy to rezone. The Housing Element has been revised to specifically respond to these comments and concerns and demonstrate that the City has developed a plan to meet its RHNA requirements. Specific revisions and information that we would like to highlight include:

- Staff has spent a significant amount of time reviewing and confirming the assumptions and realistic capacity estimates for each site. As a result of this work, the updated total housing capacity for the Sites Inventory is now 9,990 units, which demonstrates that the City can meet its RHNA of 7,015 units with a 42% buffer.
- A Supplemental Sites Inventory Table has been prepared that consolidates information from the Sites Inventory and other areas of the Housing Element to clearly demonstrate the evidence used to justify the realistic capacity and development feasibility of each site. In particular, we want to highlight that the existing uses on many of these sites do not need to be discontinued in order for new housing to be developed.
- The realistic capacity assigned to each site is based on the City's strong track record of housing project approval over the past six years, with most of the housing projects (both multi-family and mixed-use) meeting or exceeding 100% of the zoned density.
- Over 90% of the sites on the Sites Inventory are within a General Plan study area and will see density increases from 35-50 du/ac to 50-200 du/ac with adoption of General Plan Update. The new GPU land use designation and increased density for each site is included in the Supplemental Table.
- The City has a significant amount of new housing development in the pipeline, including 640 new housing units under construction, 1,580 new housing units approved and 680 new housing units under review. This means that a total of 2,915 units are in the pipeline, which represents 42% of the City's total RHNA.

Affirmatively Furthering Fair Housing

The City's Fair Housing Assessment (prepared by Root Policy) describes fair housing enforcement and outreach capacity, integration and segregation, access to opportunity and disparate housing needs as contributing factors that needed to be addressed in the City's fair housing action plan. The Revised Housing Element includes an extensive new narrative on a variety of topics in response to HCD comments, including more information on the history of the City's development; the prioritization of contributing factors; detail on fair housing legal cases and inquiries; data on changes in racial composition in the City; enhanced discussion of special needs groups; and greater analysis of Racially/Ethnically Concentrated Area of Poverty (R/ECAPs) and Racially Concentrated Areas of Affluence (RCAAs).

Root Policy conducted an extensive analysis of the proposed inventory of housing sites based on their location and projected income distribution, using the AFFH data viewer to determine whether the inventory complies with the requirements of AFFH. Key findings include the following:

- The distribution of units in the inventory does not exacerbate concentrations of low-income units in low-income areas.
- Units are equally distributed among areas where people of color are located, which should mitigate exacerbating concentrations.
- The units have been distributed throughout the community with a focus on ensuring access to transit and services.

The additional analysis confirmed the conclusions of the original fair housing analysis and did not present new information that would trigger additional AFFH programs.

These three areas represent just a part of the many ways in which the Housing Element has been updated and strengthened to meet, and ideally exceed, statutory and HCD requirements to achieve certification. However, we are fully committed to continuing to work with you and your team to address any remaining comments or concerns and achieve HCD certification. We would also appreciate the opportunity to meet with you and your staff as soon as possible to discuss our Housing Element and how we can work together to ensure we have a fully compliant housing element. Please contact our Housing Manager, Eloiza Murillo-Garcia, at (650) 522-7223 or emurillogarcia@cityofsanmateo.org for any questions or to schedule a meeting to discuss our 2023-2031 Housing Element.

Sincerely,



Christina Horrisberger
Director of Community Development

CC: Hillary Prasad

Attachments:

Housing Element Adoption Resolution

Exhibit A – Statutory Compliance Matrix

Exhibit B – HCD Comment Response Matrix

Revised and Locally Adopted 2023-2031 Housing Element (in track changes)

Appendix A - Needs Analysis

Appendix B - Constraints Analysis

Appendix C - Housing Resources and Sites Inventory

Appendix D - Affirmatively Furthering Fair Housing Narrative

Appendix E - Review of Prior Housing Element

Appendix F - Public Participation

Appendix G - Public Review Period Comments