



November 22, 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 Housing Element for the City of San Mateo

Dear Mr. McDougall,

The City of San Mateo is pleased to submit its Revised 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 comments contained in HCD's second letter received on March 27, 2023, as well as preliminary comments provided by HCD on September 10, 2023 and September 14, 2023. In addition to the revisions in response to HCD comments, the City made additional revisions to improve internal consistency, updated the Sites Inventory to reflect current development trends, and refined policies and added information in response to public comments. A matrix of HCD's preliminary comments from September, and how the Housing Element was revised to address each one is attached with this letter.

The Revised Housing Element was made available for public review and comment from **November 9 to November 15, 2023** in accordance with the requirement in AB215 for revised housing elements. The revised Housing Element draft was posted to the City's website and interested parties were notified. Additional outreach, including social media posts and eblasts to City mailing lists, was completed to ensure community awareness of the revised document publication.

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 needs and furthering fair housing.

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 in early 2024. 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 GPU's draft land use map includes densities that exceed Measure Y's density limit of 50 units per acre. 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 demonstrate our commitment to successful completion of the GPU

process, we expanded upon Policy H1.20 to include a commitment to complete the GPU effort and build consensus for an update to Measure Y (page H-95). The City is committed to adopting a General Plan that will create capacity for at least 10,000 new housing units and increase the base densities in the ten General Plan Study Areas by at least 25 du/ac and height limits by at least two stories. The draft land use map that was recently approved by Council includes densities up to 130 du/ac and heights up to 8 storied that would increase housing capacity in the City for at least 18,000 new units. The Revised Housing Element Policy H 1.20 was also updated to include:

- An implementation action to place an updated Measure Y initiative on the ballot in November 2024.
- Add a program to commence with rezoning Citywide in a phased approach to implement the land use map following the GPU adoption.
- Explore alternatives within six months if the Measure Y initiative does not pass, including a plan for rezoning and to add at least 1,700 units of new capacity around the City, thereby increasing the City's RHNA buffer by at least 25%.

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. Public comment letters also raised concerns about the City's ability to meet its statutory requirements without rezoning. The Housing Element has been revised to specifically respond to these comments and demonstrate how the City has the capacity to meet and exceed its RHNA requirements. Specific revisions and information that we would like to highlight include:

- Staff verified and updated 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 9,876 units, which demonstrates that the City can meet its RHNA of 7,015 units with a 40% buffer.
- The sites inventory table has been updated with individual acreages and ownership information and a new Section 4.4 Lot Consolidation was added in Appendix C, which determined that most of the Opportunity Sites have already been consolidated.
- For Accessory Dwelling Unit (ADU) production, the City is exceeding its production targets of 55 ADUs identified in the Housing Element. Until now in 2023, the City has issued 90 building permits for ADUs.
- The City has a significant amount (3,099 units) of new housing development in the pipeline, including 655 new units under construction, 1,588 units approved, and 856 units under review collectively representing 44% of the City's total RHNA.
- Policy H1.1 was updated to add a program to monitor pipeline projects and new development applications to ensure production outcomes are meeting projections.

Constraints Analysis

There were several comments related to the constraints analysis, including demonstrating infrastructure availability and assessing local codes and permit procedures for constraints. Appendix B - Constraints Analysis of the Housing Element has been revised to address these comments. Specific revisions that we would like to highlight include:

- Clarifications for several existing codes and processes was added with clear conclusions on whether or not they posed a constraint to housing development, and actions on how such constraints would be addressed. about a new section on land use controls under section 4.1.1 Governmental Constraints and 4.1.2 Non-Governmental Constraints was strengthened to address parking, lot coverage, allowable densities, 35-feet height limits, and open space requirements in the R-3 zone.

- For constraints identified, specific commitments, such as to eliminate the pre-application process for housing projects, allow residential projects with up to 25 units to be approved administratively, and reduce off-street parking requirements were added or strengthened. The 25-unit administrative approval threshold was approved by Council on November 20, 2023, with direction to staff to evaluate further increasing the threshold through additional code amendments in 2024.
- The Council approved the Objective Design Standards on November 20, 2023, one year ahead of schedule.

Affirmatively Furthering Fair Housing

The City's Fair Housing Assessment (prepared by Root Policy and the City Team, and reviewed by the Lawyer's Committee for Civil Rights Under Law and Consultant Veronica Tam) 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 the following edits:

- Updated programs to revise metrics to include a specific number of units or major projects to be achieved.
- Geographic targets, metrics and milestones were added where needed, including in Racially Concentrated Areas of Affluence (RCAA) areas.

The four areas highlighted above represent some of the ways in which San Mateo's Housing Element has been updated and strengthened to meet and 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 Revised 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 emurillo@cityofsantamaria.org for any questions or to schedule a meeting to discuss this submittal.

Sincerely,



Zachary Dahl, AICP
Interim Community Development Director

Attachments:

1. HCD Comment Matrix
2. Revised 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