



# REPORT TO COUNCIL

## City of Sacramento

# 36

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

Staff Report  
**August 29, 2006**

**Honorable Mayor and  
Members of the City Council**

**Title: Strategic Plan Focus Area: Safe and Affordable Housing, Workshop on  
Funding for New Housing Element**

**Location/Council District: Citywide/All**

**Recommendation:** Adopt a **Resolution** authorizing the City Manager to appropriate \$200,000 to fund the update of the City Housing Element in order to meet state requirements.

**Contact:** Desmond Parrington, Associate Planner, 808-5044; Steve Peterson, Principal Planner, 808-5981

**Presenter:** Desmond Parrington, Associate Planner, 808-5044

**Department:** Planning

**Division:** Long-Range Planning

**Organization No:** 4912

### **Description/Analysis**

**Issue:** During the FY2006/07 Budget Hearings on the Safe and Affordable Housing Strategic Planning Focus Area City Council considered funding a new Housing Element. Before allocating funds for this purpose the City Council asked staff to return with an explanation as to why the new Housing Element was not included as part of the original scope and budget of the General Plan update.

A detailed response has been prepared and included in the background section of this report (Attachment 1, Page 3).

**Policy Considerations:** This report is consistent with the City's Strategic Plan goal of providing safe and affordable housing. This report and the recommendations contained herein are also consistent with the City's sustainable budget policy and the Strategic Planning – Strategic Budgeting process. Furthermore, this report is consistent with Council's approval of Resolution 2006-159, which supported preparation of the Housing Element.

**Commission/Committee Action:** None. This is a follow-up to both the budget hearing conducted on May 16, 2006 and the affordable housing workshop held



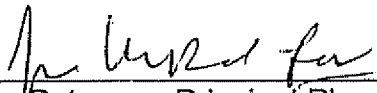
before Council on February 28, 2006.


**Environmental Considerations:** There are no environmental considerations associated with this report. (Not a project under Section 21065 of CEQA and CEQA Guidelines Section 15378 (b)(4)).

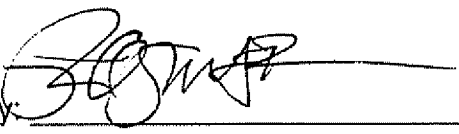
**Rationale for Recommendation:** It is necessary to fund and begin work on the Housing Element in order to comply with state deadlines (California Government Code Section 65580 *et seq.*) State law requires that the City submit an updated Housing Element to the state Department of Housing and Community Development no later than June 30, 2008.

**Financial Considerations:** Completion of the Housing Element will require \$200,000 in one-time funding from the General Fund. The source of funding is the \$2.0 million in remaining funds from the \$7.5 million growth initiative reserve that was established with the FY2004/05 Comprehensive Annual Financial Report (CAFR).

**Emerging Small Business Development (ESBD):** No goods or services are being purchased under this report.

Respectfully Submitted by:   
Steve Peterson, Principal Planner  
Long Range Planning

Approved by:   
Carol Shearly, Director  
Planning Department

Approved by:   
Robert G. Overstreet II  
General Plan Project Executive

Recommendation Approved:

  
RAY KERRIDGE  
City Manager

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## **Attachment 1**

### **Background**

The Housing Element is the primary chapter of the General Plan that focuses on housing needs in Sacramento and identifies how the City will address the challenge of affordable housing given expected population growth over the next few years. The Housing Element establishes key housing goals and policies for the City and includes implementation actions to make those goals a reality.

The City's current Housing Element is for the period from 2002 to 2007. The new Housing Element will cover the period from 2008 to 2013 and is due to the state no later than June 30, 2008. Given the amount of information required and the need for effective community outreach the document will take approximately 18 to 22 months to prepare.

The new Housing Element was not included as part of the original scope and budget for the General Plan update because the General Plan update was expected to be finished in 2007 prior to the start of the Housing Element update. However, a number of significant issues associated with the update of the General Plan have arisen and there has been a need for additional analysis and outreach. As a result, the General Plan update has been delayed and the current schedule and the Housing Element update schedule now overlap.

The Housing Element will allow the City to address housing policy issues in a comprehensive manner by developing an affordable housing strategy. In addition, the preparation of a new Housing Element will also ensure that these housing policy issues are aligned with land use and other policies in the new General Plan. As part of the Housing Element, staff anticipates the addition of at least three more housing policy workshops.

Staff recommends that the Council allocate funding to begin the Housing Element update in order to complete the process and document on schedule as required by the state. This would align the Housing Element update with the schedule for the General Plan update, which is already underway.

**Attachment 2**

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**FUNDING FOR THE PREPARATION  
OF A NEW HOUSING ELEMENT (M05-109)**

**BACKGROUND**

- A. The cost of housing has risen dramatically over the last few years in Sacramento as well as throughout California;
- B. Providing safe and affordable housing for Sacramento workers and residents is an important goal of the City;
- C. While the City's Housing Element was last prepared in 2000, the housing market in Sacramento and throughout the state has changed dramatically in the last five years;
- D. State law requires that the City submit an updated Housing Element to the state Department of Housing and Community Development no later than June 30, 2008; and
- E. A comprehensive housing strategy should be developed as part of the Housing Element that reflects both the City's housing and development objectives.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1. City staff is directed to continue to provide a series of comprehensive workshops on General Plan policy issues including several housing workshops;
- Section 2. City staff is directed to begin the Housing Element update process in order to comply with State law, develop a new comprehensive strategy to address the City's housing needs, and align the Housing Element schedule with that of the General Plan update; and
- Section 3. The sum of \$200,000 is appropriated to the Planning Department's FY2006-07 operating budget from the growth initiative reserve that was established with the FY2004-05 Comprehensive Annual Financial Report (CAFR).

