



Draft 2021-2028 Housing Element

City of Paso Robles  
1000 Spring Street  
Paso Robles, CA 93446

Public Review Draft  
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## Table of Contents

	Page
<b>1. Introduction</b>	<b>H-1</b>
1.1 Purpose	H-1
1.2 Scope and Content of the Housing Element	H-1
1.3 Relationship to Other General Plan Elements	H-2
1.4 Public Participation	H-2
1.5 Areas for Housing Growth	H-4
1.6 Expected Major Housing Issues and Challenges 2021-2028	H-4
<b>2. Housing Plan</b>	<b>H-7</b>
2.1 Goals and Policies	H-7
2.2 Implementing Programs	H-9
2.3 Summary of Quantified Objectives	H-17
<b>3. Regional Vision for Housing</b>	<b>H-19</b>
3.1 Overview	H-19
3.2 Alignment with Regional Compact	H-19
3.3 Policies	H-20
3.4 Moving Forward	H-20
<b>4. Needs Assessment</b>	<b>H-23</b>
4.1 Population Characteristics	H-23
4.2 Household Characteristics	H-25
4.3 Special Needs Groups	H-30
4.4 Housing Stock Characteristics	H-35
4.5 Housing Preservation	H-40
4.6 Energy Conservation	H-40
<b>5. Housing Constraints</b>	<b>H-43</b>
5.1 Governmental Constraints	H-43
5.2 Nongovernmental Constraints	H-63
<b>6. Housing Resources</b>	<b>H-67</b>
6.1 Identification of Adequate Sites for Future Housing Needs	H-67
6.2 Residential Sites Inventory	H-72
6.3 Site Infrastructure and Services	H-81
6.4 Financial Resources	H-85
6.5 Administrative Resources	H-86
<b>7. 2014-2019 Housing Element Program Accomplishments</b>	<b>H-89</b>
<b>Appendix A: Public Outreach Contact List</b>	<b>H-101</b>

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## 1.0 Introduction

### 1.1 Purpose

This Housing Element provides the City of El Paso de Robles (“Paso Robles”) with a coordinated and comprehensive strategy for promoting the production of safe, decent, and affordable housing for all community residents.

The Housing Element is a mandatory General Plan element. It identifies ways in which the housing needs of existing and future residents can be met. State law requires that all cities adopt a Housing Element and describes in detail the necessary contents of the Housing Element. California planning law provides more detailed requirements for the Housing Element than for any other General Plan element. This Housing Element responds to those requirements and responds specifically to conditions and policy directives unique to Paso Robles.

### State Housing Policy

Article 10.6 (Housing Elements) of the Planning and Zoning Law of the State of California (State Government Code Section 65580 et seq.) establishes the State’s housing policies and identifies the responsibilities of a municipality to facilitate the improvement and development of housing to make adequate provisions for the housing needs of all economic segments of the community.

The California Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State’s main housing goal. Recognizing the important part that local planning programs play in pursuit of this goal, the Legislature has mandated that all cities and counties prepare a Housing Element as part of their comprehensive General Plans. Section 65581 of the California Government Code reflects the legislative intent for mandating that each city and county prepare a Housing Element:

1. To ensure that counties and cities recognize their responsibilities in contributing to the attainment of the State housing goal
2. To ensure that counties and cities will prepare and implement housing elements which, along with federal and State programs, will move toward attainment of the State housing goals
3. To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal, provided such a determination is compatible with the State housing goal and regional housing needs
4. To ensure that each local government cooperates with other local governments to address regional housing needs

### 1.2 Scope and Content of the Housing Element

This Housing Element covers the planning period of December 31, 2020 through December 31, 2028 and identifies strategies and programs to: 1) encourage the development of a variety of housing opportunities; 2) provide housing opportunities for persons of lower and moderate incomes; 3) preserve the quality of the existing housing stock in Paso Robles; 4) minimize governmental constraints; and 5) promote equal housing opportunities for all residents.

Toward these ends, the Housing Element consists of:

1. An introduction of the Housing Element's scope and purpose
2. A Housing Plan to address the identified housing needs, including housing goals, policies, and programs
3. A Regional Infrastructure and Housing Strategic Action Plan, which was developed collaboratively with and is adopted by the County of San Luis Obispo and all seven cities within the county
4. An analysis of the City's demographic and housing characteristics and trends
5. A review of potential market, governmental, and environmental constraints to meeting the City's identified housing needs
6. An evaluation of land, administrative, and financial resources available to address the housing goals
7. A review of past accomplishments under the previous Housing Element

### **1.3 Relation to, and Consistency with, Other General Plan Elements**

The Housing Element is closely related to the Land Use, Circulation, Open Space, Conservation and Noise Elements. For residential land use, the Land Use Element assigns several designations for single-family homes, multifamily housing (apartments and condominiums), and mobile homes. Decisions on land use type and densities are based on factors such as access to the transportation system, proximity to noise sources (primarily traffic and airport-related), access and proximity to open space, commercial and industrial uses, and topography. Residential land use designations are also assigned in a manner that best matches the City's housing needs, as identified in the Housing Element, with these factors.

The policies and priorities of the Housing, Circulation, Land Use, Open Space, Conservation, and Noise Elements have been carefully balanced to maintain internal consistency. When any element of the General Plan is amended, the City will review the Housing Element and if necessary, prepare an amendment to ensure continued consistency among elements. State law requires that upon revisions to the Housing Element, Safety, and Conservation Elements include an analysis and policies regarding flood hazard and management information.

### **1.4 Public Participation**

The Housing Element expresses the community's goals for meeting the housing needs of all economic segments of the community. Under State law, local governments must be diligent in soliciting participation by all segments of the community in this effort. During preparation of the Housing Element Update, public participation was actively encouraged in the following ways:

#### **Housing Constraints and Opportunities Committee Meetings**

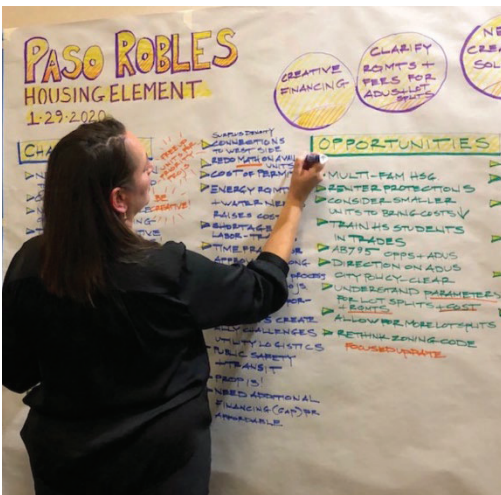
The Housing Constraints and Opportunities Committee (HCOC) was established as part of the 2014 Housing Element. The Committee is appointed by the City Council to review housing issues and make recommendations to the City Council on ways to increase housing production. The HCOC has been instrumental in moving forward initiatives, including tailoring fees to unit size to reduce fees for smaller units, substantially reducing of water/sewer charges for new residential construction, and producing a Circulation Element update that resulted in a 24 percent reduction in the transportation impact fee associated with elimination of certain planned improvements.

The HCOC includes representatives from the City Council and Planning Commission, housing developers, architects, builders, and advocates. During the process of updating the 6th cycle General Plan Housing Element, the HCOC met four times to discuss housing issues, identify potential sites and strategies to meet the RHNA, review best practices, and provide guidance on potential Housing Element policies and implementing programs. These meetings were conducted as public meetings. Comments from these meetings are summarized in Appendix A and are directly reflected in this Element’s policies and programs.

**Community Workshops**

On January 29, 2020, the City conducted a workshop to gather input from local stakeholders and residents. The meeting included a presentation about the intent of the Housing Element update, followed by a facilitated discussion regarding housing issues, opportunities to meet local housing needs, and creative approaches to address the City’s constraints to housing production. Participants included local developers, service providers, advocates, and residents.

Awareness of the workshop was conducted using social media campaigns and local media outlets. Information was also posted on the City website and informational flyers were posted in public areas at City facilities. Interested developers, housing advocates, and residents were encouraged to attend. The list of agencies and organizations invited to the study session are listed in Appendix A, along with a summary of comments received.



January 29, 2020 Housing Element Workshop

On August 4, 2020, the City Council conducted a workshop to discuss the Draft Housing Element prior to submitting the draft Housing Element to the State Department of Housing and Community Development (HCD). Because the statewide Shelter at Home order was still in place, this meeting was not physically open to the public; the public participated via teleconference and/or listening to the local radio station. Notification of the workshop/hearing was published in the *San Luis Obispo Tribune* newspaper, in addition to being published via social media outlets and sent directly to a list of agencies, organizations, and interested members of the public. To ensure that the housing concerns of low- and moderate-income and special needs residents were specifically addressed, the City notified agencies and organizations that serve these communities in Paso Robles and surrounding areas. Local stakeholders such as developers, service providers, neighboring jurisdictions, and housing advocates were invited to review and comment on the 2020-2028 Housing Element and to attend the study session. The list of

agencies and organizations invited to the workshop is included in Appendix A. **Comments received at that workshop will be summarized here.**

Further opportunity for public participation will be provided at Planning Commission and City Council adoption hearings expected to occur late 2020.

## 1.5 Areas for Housing Growth

**West Side:** The area west of the Salinas River is the historic core of the City. This area is fully urbanized and is home to approximately one-third of City residents. Opportunities for new housing include: (a) infill, primarily in developing additional units on underdeveloped multifamily zoned properties, given only a handful of vacant parcels, and (b) mixed use: housing built in conjunction with commercial uses. The Uptown/Town Centre Specific Plan covers most of the area that is developable; the Specific Plan provides a vision for accommodating additional housing in a manner that conforms to the historic character of the West Side, as well as facilitating affordability to lower-income households.

The Uptown/Town Centre Specific Plan Area has capacity for approximately 925 new housing units (as of 2020). Most of these will be infill units on underdeveloped lots or on the same property as commercial buildings as mixed use. The majority of sites to meet the City's regional housing needs allocation are located within the Uptown/Town Center Specific Plan area. Additional capacity also exists on the west side for single-family and multifamily development outside of the specific plan area.

Public comments received as part of the Housing Element update indicated support for prioritizing new housing on the west side.

**East Side:** Development in the East Side area began in the late 1950s and, except for specific plan areas, is quickly approaching build-out. Development consists largely of single-family subdivisions, with pockets of multifamily housing located along Creston Road and adjacent to community and regional-scale commercial centers. New anticipated residential development, both single-family and multifamily, will occur with the Olsen-South Chandler Ranch and Beechwood Specific Plans located on the eastern and southeastern edges of the City.

- The Olsen-South Chandler Ranch Specific Plan permits development of 356 acres with 1,293 residential units (including 168 apartments), 9,800 square feet of commercial space, a possible elementary school site, and 29,335 square feet of community amenities. The project was approved by the City Council in 2020.
- The Beechwood Specific Plan covers approximately 234 and proposes development of 911 residential units, including 100 multifamily rental units and 75 workforce for-sale units, 41 accessory dwelling units (ADUs), approximately 5.6 acres of commercial/mixed use development, an eight-acre public park and 20 acres of open space. This project is scheduled to be considered by the Planning Commission and City Council in the summer of 2020.

## 1.6 Major Housing Issues and Challenges for 2021-2028

The year 2020 has presented new and unique challenges for jurisdictions, with the following anticipated to remain challenges for implementation of the City's housing goals:



- The 2020 COVID-19 pandemic and economic slow-down create unknowns regarding development demand, interest, and available financing. The City looks to encourage and support development that incorporates a mix of housing types and densities so that housing for all income levels can be provided and evenly distributed throughout Paso Robles.
  
- In 2011, the State Legislature eliminated redevelopment, thereby eliminating a major source of supplemental funding for affordable housing. Most significantly, the Low- and Moderate-Income Housing (LMIH) Fund disappeared. Much of the affordable (government subsidized) housing in Paso Robles had been assisted with LMIH funds. Unknown is the future availability of financial resources to assist with construction of new low- and moderate-income housing projects, preservation of existing low-income housing at risk of being converted to market rate housing, and conservation of housing in need of rehabilitation.
  
- This Housing Element includes multiple implementing actions that will require staff resources and grant funding to carry out. In addition, the City must be able to provide the infrastructure and supportive services associated with each new housing unit. Given California’s taxing structure, this can be a substantial hurdle to providing infrastructure and municipal services over the long term.

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## 2.0 Housing Plan

With this Housing Element, the City establishes a policy foundation for committing available resources to meet the housing needs of all economic segments of the community. The Housing Element sets forth long-term goals and policies and defines specific programs to meet those needs. This section describes the qualitative goals, policies, and action items and the quantified objectives for the provision of safe, adequate housing for all Paso Robles residents. An assessment of current (2020) local housing conditions and needs has been prepared to inform the formulation of qualitative goals, policies, and action items and quantitative objectives. (See Chapters 4 and 5 for the assessment.)

To make adequate provision for the housing needs of people all income levels, State law (Government Code 65583[c]) requires that the City, at a minimum, identify programs that do all the following:

1. Identify adequate sites, with appropriate zoning and development standards and services to accommodate the locality’s share of the regional housing needs for each income level.
2. Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households.
3. Address and, where possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for people at all income levels, as well as housing for people with disabilities.
4. Conserve and improve the condition of the existing affordable housing stock and preserve assisted housing developments at risk of conversion to market-rate housing.
5. Promote equal housing opportunities for all people, regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

Programs generally include a statement of specific City action(s) necessary to implement a policy or goal and identify the City department or other agency responsible for implementation, the quantified objectives (where applicable), and a timeframe for completion. A summary of quantified objectives is included following the program descriptions.

The responsibility for administering the Housing Element and ensuring that policies are implemented largely will rest with the Community Development Department. Funding for all programs—for which the expense will be staff time—will be the Community Development Department annual budget. Staff time funding sources are Community Development Block Grant funds (20 percent of annual allotments allowed for administrative and capacity building activities) and the City’s General Fund. Funding sources for housing construction, rehabilitation, and/or preservation projects are noted for specific action items below.

## 2.1 Goals, Policies, and Action Items

**Goal H-1: Develop a range of housing types, densities, and affordability levels to meet the diverse needs of the community, maintaining a balanced supply of ownership and rental units.**

**Policy H-1.1** Provide an adequate number of housing sites to accommodate the City’s share of regional housing needs and special housing needs.

**Policy H-1.2** Implement land use policies and standards that allow for a range of residential densities and products that will enable households of all types and income levels the opportunity to find suitable ownership and rental housing.

**Policy H-1.3** Promote and expand housing opportunities for all segments of the community, recognizing such factors as income, age, family size, and special needs. Integrate such housing opportunities in every neighborhood or planning area and avoid concentrations of any type of housing—and low-income housing in particular—in specific areas of the City.

**Goal H-2: Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households.**

**Policy H-2.1** Facilitate housing development affordable to lower-income households by providing technical assistance, regulatory incentives and concessions, and financial resources as funding permits.

**Policy H-2.2** Encourage both the private and public sectors to produce or assist in the production of housing, with emphasis on housing affordable to persons with disabilities, elderly, large families, female-headed households with children, and people experiencing homelessness.

**Policy H-2.3** Continue to utilize federal and State subsidies, as well as City resources to the fullest extent possible, to assist in meeting the housing needs of lower-income residents, including extremely low-income residents.

**Policy H-2.4** Support regional efforts to address homelessness.

**Policy H-2.5** Explore efforts to build a capital pool to support affordable housing.

**Goal H-3: Identify creative solutions to address and, where possible, remove potential governmental and non-governmental constraints to housing production and affordability.**

**Policy H-3.1** Review and adjust residential development standards, regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and construction that are determined to constrain housing development.

**Policy H-3.2** Assess proposed ordinances and policies affecting housing development for effects on housing cost, recognizing that some increases in housing costs might be offset by decreases in other household costs (e.g., energy bills).

**Policy H-3.3** Monitor State and federal housing-related legislation, and update City plans, ordinances, and processes pursuant to such legislation to remove or reduce governmental constraints.

**Policy H-3.4** Educate applicants on how to navigate the development approval process; facilitate building permit and development plan processing for residential construction.

**Policy H-3.5** Encourage and provide incentives for the development of affordable housing.

**Goal H-4: Conserve and improve the condition of the City's existing housing stock and neighborhoods, and in particular, below market rate housing.**

**Policy H-4.1** Assist in the preservation of all units at risk of converting from affordable housing to market rate housing.

**Policy H-4.2** Maintain an inventory of market rate housing that is affordable by design.

**Policy H-4.3** Create conditions that eliminate the causes and spread of blight.

**Policy H-4.4** Invest in neighborhoods that have aging and deteriorating housing and infrastructure.

**Policy H-4.5** Encourage energy conservation and sustainable building measures in new and existing homes.

**Policy H-4.6** Promote and encourage sustainable development, green building practices, and the conservation of natural resources for all new residential development and for the retrofitting of existing housing.

**Policy H-4.7** Encourage development and long-range planning that uses compact urban forms that foster connectivity, walkability, alternative transportation modes.

**Goal H-5: Affirmatively further equal and fair access to housing opportunities for all residents.**

**Policy H-5.1** Prohibit discrimination in the sale, rental, or financing of housing based on race, color, ancestry, religion, national origin, sex, sexual orientation, gender identity, age, disability/medical condition, familial status, marital status, source of income, or any other arbitrary factor.

**Policy H-5.2** Assist in the enforcement of fair housing laws by providing support to organizations that can receive and investigate fair housing allegations, monitor compliance with fair housing laws, and refer possible violations to enforcing agencies.

## 2.2 Implementing Programs

The programs below identify actions the City will take to make sites available during 2018-2028 with respect land use and development standards and services/facilities to accommodate the City's share of regional housing need for each income level. The programs also address identified housing issues in Paso Robles and approaches to meet State law housing requirements. Program numbers reference corresponding goals above.

### **Program 1: Adequate Sites**

The City of Paso Robles has a Regional Housing Needs Allocation (RHNA) of 383 units for the 2018-2028 RHNA planning period after credits for permitted or approved units are taken into consideration. Overall, the City can adequately accommodate the RHNA under existing General Plan policy and Zoning Ordinance standards. The residential sites inventory to address the 6<sup>th</sup> cycle RHNA consists of two proposed development sites with the capacity for 1,049 units, a projected 405 new accessory dwelling units, and 11 vacant sites with capacity for 313 units. The City will maintain an inventory of available sites for residential development and provide it to prospective residential developers upon request. Also, the City will continue to track the affordability of new housing projects and progress toward meeting the City's RHNA. Maintaining adequate sites will also include

evaluation of all proposed General Plan and Zoning amendments for their effect on the City's capacity for meeting its RHNA.

While the City is not responsible for the actual construction of these units, the City is responsible for creating a regulatory environment in which the private market could build these units. This includes the creation, adoption, and implementation of General Plan policies, zoning and development standards, and/or incentives to encourage construction of all types of housing units.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Ongoing; annual assessment of status of housing sites inventory as part of the annual reporting process to the State  
*Quantified Objective:* 383 units

### **Program 2: No Net Loss**

Government Code Section 65863 stipulates that a jurisdiction must ensure that its Housing Element inventory can accommodate its share of the RHNA by income level throughout the planning period. If a jurisdiction approves a housing project at a lower density or with fewer units by income category than identified in the Housing Element, it must quantify at the time of approval the remaining unmet housing need at each income level and determine whether sufficient capacity exists to meet that need. If not, the city or county must "identify and make available" additional adequate sites to accommodate the jurisdiction's share of housing need by income level within 180 days of approving the reduced-density project.

The City will evaluate residential development proposals for consistency with goals and policies of the General Plan and the 2021-2028 Housing Element sites inventory, and make written findings that: 1) the density reduction is consistent with the General Plan and 2) the remaining sites identified in the Housing Element are adequate to accommodate the RHNA by income level. If a proposed reduction of residential density will result in the residential sites inventory failing to accommodate the RHNA by income level, the City will identify and make available additional adequate sites to accommodate the its share of housing need by income level within 180 days of approving the reduced density project.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Ongoing: As part of the entitlement review process, evaluate new projects for consistency with General Plan objectives as they relate to housing and RHNA obligations

### **Program 3: Accessory Dwelling Units**

Promote the development of accessory dwelling units (ADUs) by adopting an ADU ordinance addressing the provisions in State law, including permit streamlining processes and fee assessment. Consider, as part of this ordinance, reduced parking for ADUs throughout the Uptown/Town Centre Specific Plan beyond areas within one-half mile of quality transit stops. Support countywide efforts to provide pre-approved ADU plans as a tool for encouraging development of ADUs and lowering plan review costs for applicants and the City. Promote development of ADUs by providing written information at the City's planning counter and on the City's website.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Within one year of Housing Element adoption

*Quantified Objective: 405 Units (this Objective is a subset of and not in addition to the Quantified Objective for Program 1: Adequate Sites)*

**Program 4: Special Needs Housing**

Provide housing opportunities to meet the special housing needs of special needs residents (including the elderly, disabled, developmentally disabled, large families, the homeless, and extremely low-income households) by giving priority to development projects that include a component for special needs groups in addition to other lower-income households.

Encourage developers of single-family dwellings to incorporate universal design and/or "visitability" improvements.

*Funding Source: Community Development Department budget (staff time) and other sources, as available*

*Responsible Party: Community Development Department*

*Timeframe: Ongoing*

*Quantified Objective: 15 units (this Objective is a subset of and not in addition to the Quantified Objective for Program 1: Adequate Sites)*

**Program 5: Housing for Persons with Disabilities**

Assist in meeting the housing needs for persons with disabilities, including persons with developmental disabilities, by implementing the following actions:

1. Assist developers who seek State and federal monies to support housing construction and rehabilitation targeted for persons with disabilities, including persons with developmental disabilities.
2. Provide regulatory incentives and concessions to projects targeted for persons with disabilities, including persons with developmental disabilities.
3. Work with the Tri-Counties Regional Center to implement an outreach program that informs families within the City of housing and services available for persons with developmental disabilities. The program could include the development of an informational brochure, including information on services on the City's website, and providing housing-related training for individuals/families through workshops.

*Funding Source: Community Development Department budget*

*Responsible Party: Community Development Department*

*Timeframe: Support grant applications- at least once during the planning period; develop informational material - within two years of Housing Element adoption; provide incentives for development of housing for persons with disabilities – ongoing*

**Program 6: Mixed Use Overlay**

Amend the Mixed Use Overlay to enhance flexibility and encourage housing production as follows:

1. Increase the allowed density from 20 units per acre to 30 units per acre.
2. Allow residential, commercial, or mixed-use development for maximum flexibility.
3. Apply the Mixed Use Overlay to sites MU1 and MU2 identified in the Resources chapter.

*Funding Source: Community Development Department budget*

*Responsible Party: Community Development Department and City Council*

*Timeframe: In conjunction with Housing Element adoption*

*Quantified Objective: 70 Units (this Objective is a subset of and not in addition to the Quantified Objective for Program 1: Adequate Sites)*

## **Program 7: Affordable Housing Support**

1. Work with developers to increase the supply of new housing for all income groups and special needs. Examples may include prioritizing staff time to process permits for units affordable to lower-income households; providing technical assistance in applying for government financing (e.g., HOME funds); concessions and incentives, using General Funds to offset City development fees; and providing preliminary staff review of development proposals at no cost to developers. The City will continue to work with the Paso Robles Housing Authority, Habitat for Humanity, and other affordable housing entities to provide financial and/or technical assistance in maintaining or expanding affordable housing resources.
2. Provide, when possible, developer incentives such as expedited permit processing and developer impact fee deferrals for units that are affordable to lower-income households, including extremely low-income households. The City will promote these incentives to developers on the City's website and during the application process.
3. Encourage provision of affordable housing in the vicinity of the Cuesta College North County Campus through the designation of multifamily sites near the campus.
4. For those housing units and/or projects for lower-income households assisted with General Funds for the purpose of offsetting development impact fees, allow for deferral of payment of fees several years beyond occupancy.

*Funding Source: Community Development Department budget*

*Responsible Party: Community Development Department*

*Timeframe: Ongoing*

*Quantified Objective: Assist 5 affordable housing projects*

## **Program 8: Uptown/Town Centre Specific Plan**

Actively implement the vision for development and redevelopment of the West Side as established in the Uptown/Town Centre Specific Plan. This will include seeking grants for infrastructure improvements, preparing an appendix to expand the list of acceptable architectural styles, providing technical assistance to developers in understanding and applying the new development standards, and regular monitoring and updating the plan to ensure that development standards effectively promote affordable housing.

*Funding Source: Community Development Department budget*

*Responsible Party: Community Development Department*

*Timeframe: Ongoing*

## **Program 9: Resources to Address Homelessness**

Continue working with non-profit organizations that address homelessness to aid residents in need and provide technical support as needed. Continue to support local programs that provide emergency resources. Continue to participate in regional efforts to address homelessness and coordinate homeless services.

*Funding Source: Community Development Department budget*

*Responsible Party: Community Development Department*

*Timeframe: Ongoing*



**Program 10: Density Bonus**

Maintain an affordable housing density bonus ordinance that establishes procedures for obtaining and monitoring density bonuses in compliance with State law. Update the City’s density bonus ordinance to remain in compliance with Government Code §65915 and enhance applicability for the Uptown/Town Centre Specific Plan. The update will clarify an applicant’s ability to consolidate certain concessions to facilitate affordable housing development and provide flexibility.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Updated density bonus ordinance adoption - within two years of Housing Element adoption; reviewing ordinance for compliance with State law - ongoing  
*Quantified Objective:* 25 Density Bonus units (this Objective is a subset of and not in addition to the Quantified Objective for Program 1: Adequate Sites)

**Program 11: Energy Conservation**

Encourage and facilitate energy conservation; help residents minimize energy-related expenses. Actions may include:

1. Continued implementation of environmental conservation plans and policies that foster multi-modal transportation systems, reduce greenhouse gas emissions, implement Low Impact Development standards, promote water conservation, and encourage habitat conservation
2. Promoting environmentally sustainable building practices that provide cost savings to homeowners and developers
3. Providing informational material at the Community Development Department counters from PG&E and others that detail energy conservation measures for new and existing buildings, the benefits of the Green Building Code, and resources to assist lower-income households with energy-related expenses
4. Continuing to enforce the State energy standards of the California Green Building Code.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Ongoing; energy conservation information available one year after adoption of the Housing Element

**Program 12: Development Process Streamlining**

Continue to streamline project review processes by:

1. Reviewing, and if necessary, revising local review procedures to facilitate a streamlined review process
2. Accommodating SB 35 streamlining applications or inquiries by creating and making available to interested parties an informational packet that explains the SB 35 streamlining provisions in Paso Robles and provides SB 35 eligibility information
3. Supporting regional efforts to develop pre-approved stock development plans to streamline the plan check process for ADUs

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Ongoing; SB 35 informational material within one year of Housing Element adoption

### **Program 13: Objective Design Standards**

Adopt objective design standards to ensure that the City can provide local guidance on design and standards for by-right projects as allowed by State law. Adoption of objective design standards will facilitate high-quality residential development and compliance with state objectives. The objective design standards will ensure provision of adequate private open space, parking, and related features, as well as architectural design, consistent with State law.

*Funding Source:* Community Development Department budget

*Responsible Party:* Community Development Department

*Timeframe:* Within one year of Housing Element adoption

### **Program 14: Special Needs Housing Laws**

Review the Zoning Ordinance and make changes to ensure compliance with the Supportive Housing Streamlining Act (AB 2162) and AB 101 (Low-Barrier Navigation Centers). AB 2162 requires supportive housing to be considered a use by right in zoning districts where multifamily and mixed uses are permitted, including nonresidential zoning districts permitting multifamily uses, if the proposed housing development meets specified criteria. If located within one-half mile of a public transit stop, no minimum parking requirements may be imposed. Review of applications for supportive housing must be completed within 60 days after the application is deemed complete for a project with 50 or fewer units, or within 120 days after the application is complete for a project with more than 50 units. AB 101 requires that Low-Barrier Navigation Centers (LBNC) be a by-right use in areas zoned for mixed-use and nonresidential zoning districts permitting multifamily uses. LBNC provide temporary room and board with limited barriers to entry while case managers work to connect homeless individuals and families to income, public benefits, health services, permanent housing, or other shelter.

*Funding Source:* Community Development Department budget

*Responsible Party:* Community Development Department

*Timeframe:* Within one year of adoption of the Housing Element

### **Program 15: Zoning Ordinance Amendments**

1. Amend the Zoning Ordinance to remove number of stories limit in the multifamily residential zoning districts (R-2, R-3, R-4, and R-5) and regulate based on height in feet.
2. Amend the Zoning Ordinance to remove the requirement for a community room/day care center for projects with 32 or more units in multifamily zoning districts.
3. Amend the Zoning Ordinance to allow all properties within the R-3 zoning district to achieve three units if minimum lot sizes can be met.
4. Amend the Zoning Ordinance to add a definition of manufactured home, update the definition of mobile home, and remove the definition for modular home. Update Zoning Ordinance Table 21.6.200 (Permitted Land Uses for All Zoning Districts) as needed.

*Funding Source:* Community Development Department budget

*Responsible Party:* Community Development Department

*Timeframe:* In conjunction with Housing Element adoption

### **Program 16: Development Plan for 009-751-063 (Creston Village Surplus Parcel)**

Consider an amendment to the Development Plan, Zoning Ordinance, and General Plan for APN 009-751-063. This parcel is vacant and located adjacent to an assisted living facility. Consider amendments that would facilitate development of this parcel at densities matching the R-3 zoning district.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* In conjunction with Housing Element adoption

**Program 17: Fractional Units**

To encourage smaller units that are affordable by design, initiate a Zoning Ordinance amendment that recognizes fractional density units as follows:

- Studio and one-bedroom dwelling < 600 square feet = 0.50 unit
- 1-bedroom dwelling 601 - 1,000 square feet = 0.66 unit
- 2-bedroom+ dwellings = 1.00 unit

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* In conjunction with Housing Element adoption

**Program 18: Planning Commission Threshold of Review**

Amend the Zoning Ordinance to revise the threshold of review for a Development Plan. The Zoning Ordinance requires a Development Plan for, among other conditions, five or more dwelling units per lot. The Zoning Ordinance Amendment will revise this threshold to 10 or more dwelling units per lot.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* In conjunction with Housing Element adoption; review one year after implementation to review effectiveness and consider additional amendments, as warranted

**Program 19: Non-Governmental Constraints**

Understand the market factors that hinder affordable and market rate residential development. Monitor and evaluate development standards, development financing issues, and advances in housing construction methods. Recognize that although the City cannot influence market factors (non-governmental constraints and legislative decisions), if non-governmental constraints are identified, the City will review, and as feasible revise, any development regulations or processes that can potentially lessen those constraints.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Ongoing

**Program 20: Water and Sewer Service Providers**

In accordance with Government Code Section 65589.7, immediately following City Council adoption, the City will deliver to all public agencies or private entities that provide water or sewer services to properties within the City of Paso Robles a copy of the 2020-2028 Housing Element. The City will also confirm that the agencies and entities providing water or sewer services have procedures in place to grant priority for the provision of water and sewer services to proposed developments that include housing units affordable to lower-income households (Government Code Section 65589.7).

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Within 30 days of adoption of the Housing Element; coordination - ongoing

## **Program 21: At-Risk Housing**

Continue or undertake the following activities during the Housing Element planning period to guard against the loss of housing units available to lower-income households. The efforts listed below represent a varied strategy to mitigate potential loss of at-risk units due to conversion to market-rate units.

1. Monitor the status of subsidized affordable projects that are at risk of conversion to market rate.
2. Establish contact with public and non-profit agencies interested in purchasing and/or managing units at-risk to inform them of the status of such projects.
3. Provide technical assistance to owners and non-profit housing corporation buyers of existing subsidized low-income housing complexes that are at risk of conversion to market rate to extend subsidy contracts and/or find government financing (e.g., HOME funds) for acquisition.
4. If conversion of a subsidized complex to market rate becomes likely, the City will work with tenants of at-risk units and provide them with education regarding tenant rights and conversion procedures. The City will also provide tenants in at-risk projects information regarding Housing Choice Voucher (Section 8) rent subsidies through the Housing Authority, and other affordable housing opportunities in the City.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Contact owners/operators annually and ongoing

## **Program 22: Housing Choice Vouchers (Section 8)**

The Housing Authority for the City of San Luis Obispo (HASLO) administers the Housing Choice Vouchers (Section 8) Program for all jurisdictions in the County of San Luis Obispo. The City will continue to work with HASLO for administration of the Housing Choice Voucher program and will support additional Housing Choice Vouchers in the community.

*Funding Source:* U.S. Department of Housing and Urban Development (HUD)  
*Responsible Party:* Community Development Department, San Luis Obispo Housing Authority  
*Timeframe:* Ongoing  
*Quantified Objective:* Preservation of 386 vouchers in use in Paso Robles

## **Program 23: Housing Rehabilitation**

Work with non-profit organizations to obtain financial assistance to rehabilitate dwellings owned or rented by lower-income households.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department  
*Timeframe:* Ongoing  
*Quantified Objective:* 10 rehabilitated housing units per year

## **Program 24: Affirmatively Further Fair Housing**

Promote and affirmatively further fair housing opportunities and promote housing for all persons, including those protected by the California Fair Employment and Housing Act and any other State and federal fair housing and planning laws. The City will:

1. Promote public awareness of federal, State, and local regulations regarding equal access to housing. Provide information to the public on various State and federal housing programs and fair housing law. Maintain referral information on the City's web site and at a variety of other locations such as

community and senior centers, local social service offices, and other public locations including City Hall the City Library.

2. Refer residents involved in housing related civil disputes such as landlord/tenant disputes and housing discrimination complaints to the California Rural Legal Assistance (for legal matters) and to the State Department of Fair Employment and Housing (for discrimination).
3. Ensure that all development applications are considered, reviewed, and approved without prejudice to the proposed residents, contingent on the development application’s compliance with all entitlement requirements.
4. Evaluate all proposed amendments to the General Plan’s Land Use Map and the Zoning Map for their effect on the City’s policy of integrating diverse housing opportunities in each neighborhood or planning area.
5. Accommodate persons with disabilities who seek reasonable waiver or modification of land use controls and/or development standards pursuant to procedures and criteria set forth in the Municipal Code.

*Funding Source:* Community Development Department budget  
*Responsible Party:* Community Development Department *Timeframe:* Ongoing  
*Timeframe:* Ongoing

## 2.3 Quantified Objectives

Table H2-1 summarizes the City’s quantified objectives for the 2020-2028 planning period by income group as required by law.

Table H2-1: 2021-2028 Quantified Objectives

Objectives	Income Levels				Total
	Extremely/ Very Low	Low	Moderate	Above Moderate	
Construction Objective*	266	223	439	816	1,744
Rehabilitation Objective*	80		--	--	80
Total Construction/ Rehabilitation Objective	569		439	816	1,824
Conservation/Preservation Objective*	386		--	--	386
*Note: The City of Paso Robles is not responsible for the actual construction of these units. The City is, however, responsible for creating a regulatory environment in which the private market could build these units. This includes the creation, adoption, and implementation of General Plan policies, zoning standards, and/or incentives to encourage the construction of various types of units.					

The Construction Objective represents the City’s remaining (after counting as credit the units with approved or issued permits) 2018-2028 RHNA of 383 units. The Rehabilitation Objective represents objectives for the Housing Rehabilitation program. The Conservation/Preservation objective refers to maintenance of the current level of assistance through the Housing Choice (formerly Section 8) Voucher program from the San Luis Obispo Housing Authority.

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### 3.0 Regional Vision for Housing

**In early 2020, local agencies adopted the San Luis Obispo Countywide Regional Compact to *establish a united regional framework to unlock our potential to develop an adequate supply of housing and infrastructure that support our economic prosperity.***

#### 3.1 Overview

San Luis Obispo County is a rural coastal county with seven vibrant cities and numerous unincorporated communities that depend upon collaborative relationships between and among government agencies, community organizations, and residents to solve the region’s significant issues. The most pressing issues include an inadequate supply of affordable housing and the need to ensure resilient water, wastewater, and transportation infrastructure and resources.

The County and all seven cities are working collaboratively to develop the region’s first Regional Infrastructure and Housing Strategic Action Plan (Regional Plan) that will identify actions to address these issues. A key component of the Regional Plan is the integration of efforts to address critical housing and related infrastructure needs. As part of the Housing Element update process, representatives of the County, seven cities, and San Luis Obispo Council of Governments (SLOCOG) developed this chapter to showcase the ongoing commitment of each agency to this collaborative effort. This chapter presents a regional vision and policies focused specifically on fostering regional collaboration to plan and develop housing and supportive infrastructure.

#### 3.2 Alignment with Regional Compact

This effort is guided by the San Luis Obispo Countywide Regional Compact (Regional Compact). The Regional Compact, adopted by each jurisdiction in early 2020, outlines six shared regional goals to guide collaborative resolution of underlying housing and infrastructure needs:

***Goal 1. Strengthen Community Quality of Life*** – We believe that our Region’s quality of life depends on four cornerstones to foster a stable and healthy economy for all: resilient infrastructure and resources, adequate housing supply, business opportunities, and educational pathways.

***Goal 2. Share Regional Prosperity*** – We believe that our Region should share the impacts and benefits of achieving enduring quality of life among all people, sectors, and interests.

***Goal 3. Create Balanced Communities*** – We believe that our Region should encourage new development that helps to improve the balance of jobs and housing throughout the Region, providing more opportunities to residents to live and work in the same community.

***Goal 4. Value Agriculture & Natural Resources*** – We believe that our Region’s unique agricultural resources, open space, and natural environments play a vital role in sustaining healthy local communities and a healthy economy, and therefore should be purposefully protected.

**Goal 5. Support Equitable Opportunities** – We believe that our Region should support policies, actions, and incentives that increase housing development of all types, available to people at all income levels.

**Goal 6. Foster Accelerated Housing Production** – We believe that our Region must achieve efficient planning and production of housing and focus on strategies that produce the greatest impact.

### 3.3 Policies

It will take regional collaboration and local actions to realize the vision and goals outlined in the Regional Compact. Below is an initial list of aspirational regional policies that further the Regional Compact vision, in addition to local policies. By including these in its Housing Element, Paso Robles recognizes that these regional policies do not mandate that the City implement specific actions; rather, including these offers ways that the County, cities, SLOCOG, and other partners can consider moving forward together. In addition, and consistent with each Housing Element cycle, each of the seven cities and the County has the opportunity to choose to implement local policies and programs that help support achievement of its RHNA, and if an agency chooses to, can also support the Regional Compact vision and goals in a way that works for its community. See Chapter 2.0 for local programs and policies for Paso Robles’s anticipated actions during this Housing Element cycle.

**R-1:** Promote awareness and support of regional efforts that further housing and infrastructure resiliency by utilizing community engagement, and consistent and transparent communication.

**R-2:** Encourage an adequate housing supply and resilient infrastructure, services, and resources to improve the balance of jobs and housing throughout the Region.

**R-3:** Develop inter-agency partnerships as appropriate to implement goals and policies related to housing and infrastructure.

**R-4:** Coordinate State, federal, and other funding opportunities for housing and infrastructure development throughout the Region.

**R-5:** Encourage developers to sell newly constructed housing units to individuals residing or employed within the area of the development (a city or the County) first before selling to individuals from outside the County, to promote local preference.

**R-6:** Encourage rental units be prioritized for long-term residents rather than short-term users or vacation rentals.

**R-7:** Support housing development that is located within existing communities and strategically planned areas.

**R-8:** Encourage regional collaboration on a menu of housing types, models, and efforts to support streamlined approvals for such developments (i.e., Accessory Dwelling Units, etc.).

### 3. Moving forward

The County, cities, SLOCOG, and other partners engaged in housing and infrastructure development will continue to collaborate on efforts moving forward—recognizing the benefits of working together to achieve an enduring quality of life among the region’s people, sectors and interests. This ongoing



collaboration will include learning from each other and sharing possible tools, policies, and actions that can allow the collective region to move towards the adopted Regional Compact vision. Ongoing collaborative efforts will be described in the Regional Plan, anticipated to be complete in 2021, and related regional efforts will live outside of each individual agency's Housing Element.

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## .0 Housing Needs Assessment

To understand housing needs of current Paso Robles residents, this section describes population characteristics, employment patterns, and income levels in the City. The information illustrates how the City has grown and changed and identifies patterns and trends that serve as the basis for crafting housing policies and programs.

### .1 Population Characteristics

Population growth and other demographic variables are important indicators of the type and number of housing units needed in a community. Population attributes such as age, race/ethnicity, occupation, and level of income combine to influence the type of housing needed, as well as the ability of current and future residents to afford housing.

#### Population Trends

The 2003 General Plan, as updated through General Plan Amendment 19-01, projects that residential growth will attain build-out after 2045, well beyond the plan’s horizon year of 2025. Table H4-1, below, shows projected future population growth; it is the same information provided in Table LU-3B of the Land Use Element, with the exception of additional information provided for the year 2019 to reflect more up-to-date population estimates.

Table H -1: Population Projection

Year	Population <sup>1</sup>	Total Dwelling Units
2019	31,200 <sup>2</sup>	11,962
2020	32,300	12,775
2025	34,400	13,602
2030	37,700	14,933
2035	39,900	15,775
2040	41,900	16,586
2045	42,800	16,924

Notes:

1. All population figures are rounded to the nearest 100. Except for 2019, population figures are estimates based on household size and vacancy rate in Section 1 of the Land Use Element.
2. Source: State Department of Finance (DOF) E-5 Report (for January 1, 2019)

#### Age Characteristics

As people age, their housing needs, income levels, and preferences typically change. Thus, evaluating the community’s age characteristics can inform how to address residents’ housing needs.

Table H4-2 compares age characteristics of Paso Robles residents with residents of County of San Luis Obispo and California as a whole in 2010 and 2018. In 2018 (the most recent year for which complete data are available), 16 percent of the Paso Robles population was 65 years old or older; this is more than the California average of 14 percent. Between 2010 and 2018, the proportion of residents within the 65 and over age group increased by four percentage points in both the Paso Robles and San Luis Obispo County. With the retirement of members within the Baby Boomer Generation (which commenced in

2011), the need for housing for seniors is expected to continue to rise. An increased demand for smaller single-family units (as developed in the early 2000s in the Traditions Neighborhood north of Highway 46 East and west of Buena Vista Drive), senior apartments, residential care facilities, and assisted living facilities is expected.

Table H -2: Age Groups

Age Groups	2010			2018		
	California	San Luis Obispo County	Paso Robles	California	San Luis Obispo County	Paso Robles
Under 5 years	7%	5%	9%	6%	5%	6%
5 to 9 years	7%	5%	8%	6%	5%	7%
10 to 14 years	7%	6%	7%	7%	5%	7%
15 to 24 years	15%	19%	14%	14%	19%	13%
25 to 34 years	14%	11%	14%	15%	12%	13%
35 to 44 years	14%	12%	12%	13%	11%	12%
45 to 54 years	14%	15%	13%	13%	12%	13%
55 to 64 years	10%	13%	11%	12%	14%	13%
65 years and over	11%	15%	12%	14%	19%	16%
	<b>36,637,290</b>	<b>265,577</b>	<b>28,794</b>	<b>39,148,760</b>	<b>281,455</b>	<b>31,656</b>

Source: U.S. Census Bureau, ACS 5-Year Estimates 2010 and 2018

## Race and Ethnicity

A community’s racial and ethnic composition may have implications for housing to the extent that different groups have different household characteristics, income levels, and cultural backgrounds that affect their needs and preferences for housing.

Race and ethnicity statistics from the U.S. Census 2013 and 2018 American Community Survey (ACS) Five-Year Estimates<sup>1</sup> are presented in Table H4-3. The Hispanic and Latino community represents the largest minority group in Paso Robles and San Luis Obispo County. The percentage of population of Hispanic or Latino persons grew from 36 percent of the City’s population in 2014 to 39 percent in 2018, reflecting a statewide growth trend. The proportion of White and Hispanics residents increased while the proportion of Black and Asian/Pacific Islander residents fell.

<sup>1</sup> The American Community Survey is a survey conducted annually by the U.S. Census Bureau. For the Five-Year Estimate, the results are pooled for multiple years, resulting in a larger sample size and reduced margin of error.

Table H -3: Paso Robles race and ethnicity estimates

Race/Ethnicity	2013 Estimates	2018 Estimates
White alone	55%	57%
Hispanic or Latino (of any race)	36%	39%
Black or African American alone	4%	2%
American Indian and Alaska Native alone	0%	0%
Asian alone	3%	1%
Native Hawaiian and Other Pacific Islander alone	1%	0%
Two or more races	1%	1%
<b>Total population</b>	<b>30,144</b>	<b>31,656</b>

Source: U.S. Census Bureau, ACS 5-Year Estimates 2013 and 2018

### Employment Market

Employment also has an important impact on housing needs to the extent that different jobs and income levels determine the type and size of housing a household can afford. According to the U.S. Census Bureau, in 2018, 16,117 Paso Robles residents were in the labor force, of whom 15,505 were employed and 612 (3.8 percent) were unemployed. (Unemployment has been significantly higher during the COVID-19 pandemic.) For May 2020, the California Employment Development Department estimated Paso Robles’ unemployment rate at 13 percent.

Table H - : Employment Occupations for the Employed Population

Occupations	Number
Management, business, and financial occupations	2,161
Computer, engineering, and science occupations	712
Education, legal, community service, arts, and media occupations	1,112
Healthcare practitioners and technical occupations	682
Healthcare support occupations	475
Protective service occupations	520
Food preparation and serving related occupations	1,045
Building and grounds cleaning and maintenance occupations	854
Personal care and service occupations	644
Sales and office occupations	3,065
Natural resources, construction, and maintenance occupations	1,918
Production, transportation, and material moving occupations	2,263
<b>Civilian employed population 16 years and over</b>	<b>15,451</b>

Source: U.S. Census Bureau, ACS 5-Year Estimates 2018

### 2 Household Characteristics

Household characteristics—such as type and size, income levels, and the presence of special needs populations—determine the type of housing needed by residents. This section details the various household characteristics affecting housing needs.

## Number of Households

In January 2018, according to the State of California Department of Finance (DOF), there were an estimated 12,109 households in the City. Since 2010, the number of households has increased by 12 percent.

## Household Type

According to the U.S. Census, in Paso Robles in 2018, most (69 percent) of households were families (Table H4-5). Families consist of married couples with or without children and other family types, such as female-headed households with children. Non-family households are defined by the Census as a householder living alone or with nonrelatives only. In Paso Robles, the percentage of householders living alone increased between 2010 and 2018, along with householders 65 years and over.

Table H - : Household Type

Household by Type	2010		2018	
	Number	Percent	Number	Percent
Total Households	10,833	100.0%	12,109	100.0%
Family households (families)	7,669	70.8%	8,403	69.4%
With own children under 18 years	3,719	34.3%	3,536	29.2%
Married-couple family	5,721	52.8%	6,365	52.6%
With own children under 18 years	2,588	23.9%	2,410	19.9%
Female householder, no spouse present	1,345	12.4%	1,361	11.2%
With own children under 18 years	775	7.2%	757	6.3%
Non-Family households	3,164	29.2%	3,706	30.6%
Householder living alone	2,486	22.9%	2,918	24.1%
Householder 65 years and over	1,192	11.0%	1,477	12.2%
Average household size	2.73		2.73	

Source: U.S. Census Bureau, ACS 5-Year Estimates 2018

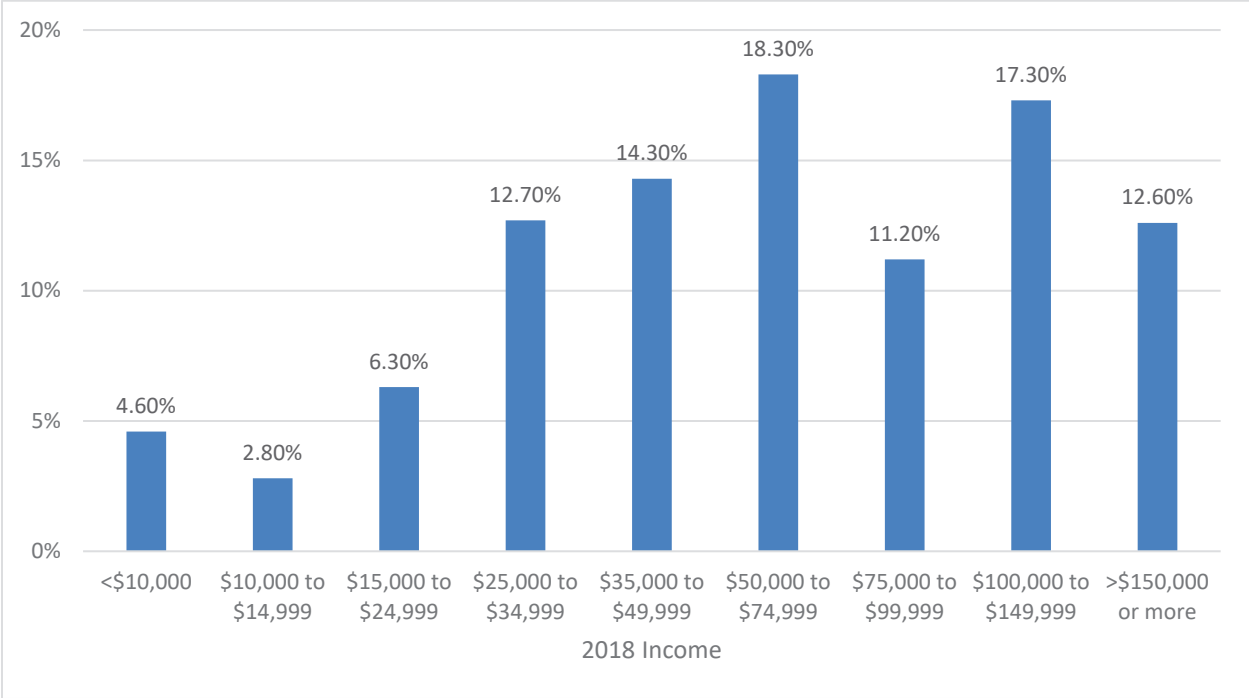
## Household Size

Table H4-5 shows that the average household size was estimated to have remained constant between 2010 and 2018 at 2.73 persons.

## Household Income

According to the U.S. Census, the median household income in Paso Robles was \$61,105. Figure H-1 shows that more than half of Paso Robles households (59 percent) earned over \$50,000 per year and 30 percent earned over \$100,000 per year. Households making less than \$50,000 per year represent 50 percent of all households.

Figure H-1: Household Income Distribution, 2018



Source: U.S. Census Bureau, ACS 5-Year Estimates 2018

For the purposes of the Housing Element, HCD has established five income groups based on Area Median Income (AMI):

1. Extremely Low-Income: up to 30 percent of AMI
2. Very Low-Income: 31-50 percent of AMI
3. Low-Income: 51-80 percent of AMI
4. Moderate-Income: 81- 120 percent AMI
5. Above Moderate-Income: >120 percent AMI

AMI refers to the median income for the Metropolitan Statistical Area. For the City of Paso Robles, this area refers to San Luis Obispo County. The U.S. Department of Housing and Urban Development (HUD) periodically receives "custom tabulations" of Census data from the Census Bureau that are largely not available through standard Census products. The most recent estimates are derived from the 2012-2016 ACS. This dataset, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrates the extent of housing problems and housing needs, particularly for lower-income households (Table H4-6). The number of households in each category usually deviates slightly from the 100 percent count due to the need to extrapolate sample data out to total households. Interpretations of this data should focus on the proportion of households in need of assistance rather than on precise numbers. HUD data uses the term Median Family Income (MFI) in place of AMI. Of the City's 11,440 households, 11 percent, or 1,200 households, fall under the extremely low-income category (430 owner [36 percent of all extremely low income households] and 770 renter [64 percent of all extremely low income households]).

Table H - : House old istribution b Income Group

Income Level	Total Households	Extremely Low Income (0-30% MFI)	Very Low Income (31-50% MFI)	Low Income (51-80% MFI)	Moderate/ Above Moderate Income (81% + MFI)
City of Paso Robles	11,440	1,200 (11%)	1,760 (15%)	2,110 (18%)	6,370 (56%)
County of San Luis Obispo	104,405	15,005 (14%)	11,470 (11%)	17,625 (17%)	60,305 (58%)

Note: Data presented in this table are based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100% count due to the need to extrapolate sample data out to total households. Interpretations of this data should focus on the proportion of households in need of assistance rather than on precise numbers.

Sources: HUD CHAS Data, 2012-2016

## Tenure of House olds

The term “tenure” refers to whether housing units are owned or rented. According to the U.S. Census, in 2018, 7,112 households (59 percent) in Paso Robles owned their own home and 4,997 households (41 percent) were renters.

## Overpa ment ost urden

State and federal standards specify that households spending more than 30 percent of gross annual income on housing are defined to experience a housing cost burden. Households spending more than 50 percent of gross annual income on housing experience severe housing cost burden. Table H4-7 demonstrates the extent of cost burden (overpaying for housing costs) by tenure (owner and renter) and income. Overall, 3,355 lower-income households (1,345 owner [40 percent of all overpaying households] and 2,010 renter [60 percent of all overpaying households]) households overpay for housing.

Table H - : Overpa ment b Tenure and Income Group

Income Group	Percent of Income Spent on Housing	Owners (Households)	Renters (Households)	Total Households
Extremely Low	Total Households	430 (100%)	770 (100%)	1,200 (100%)
	>30%	315 (73%)	610 (79%)	925 (77%)
	>50%	280 (65%)	470 (61%)	750 (63%)
Very Low	Total Households	780 (100%)	980 (100%)	1,760 (100%)
	>30%	445 (57%)	875 (89%)	1,320 (75%)
	>50%	180 (23%)	195 (20%)	375 (21%)
Low	Total Households	885 (100%)	1,225 (100%)	2,110 (100%)
	>30%	585 (66%)	525 (43%)	1,110 (53%)
	>50%	250 (28%)	25 (2%)	275 (13%)



Table H - : Overpayment by Tenure and Income Group

Income Group	Percent of Income Spent on Housing	Owners (Households)	Renters (Households)	Total Households
Moderate	Total Households	710 (100%)	420 (100%)	1,130 (100%)
	>30%	425 (60%)	150 (36%)	575 (51%)
	>50%	70 (10%)	0 (0%)	70 (6%)
Above Moderate	Total Households	3,820 (100%)	1,420 (100%)	5,240 (100%)
	>30%	575 (15%)	70 (5%)	645 (12%)
	>50%	50 (1%)	0 (0%)	50 (1%)
Total Households	Total Households	6,625(100%)	4,815 (100%)	11,440 (100%)
	>30%	2,345 (35%)	2,230 (46%)	4,575 (40%)
	>50%	830 (13%)	690 (14%)	1,520 (13%)

Note: The information contained in the CHAS is based on special tabulations from sample Census data. Thus, the number of households in each category often deviates slightly from 100 percent due to extrapolations to the total household level. Because of this, interpretations of CHAS data should focus on proportions and percentages rather than on precise numbers.  
 Source: Comprehensive Housing Affordability Strategy - U.S. Department of Housing and Urban Development, 2012-2016

Since the early 2000s, the percentages of households overpaying for housing have increased. Overpayment can be reduced by the implementation of housing strategies that support construction of small-lot single-family homes, single-family attached, and multifamily units (both subsidized and market rate). The construction of mixed-income and diverse housing options has the potential to ease the demand that drives purchase and rental prices up.

### Overcrowded Housing

In response to a mismatch between household income and housing costs in a community, some households may not be able to buy or rent housing that provides a reasonable level of privacy and space. Residents may accept smaller-sized housing or double up with other families to afford the housing costs. The federal government defines overcrowding as a situation where a household has more members than habitable rooms in a unit. An overcrowded household is defined as one with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. Severely overcrowded households are households with more than 1.5 persons per room. Overcrowding contributes to increases in traffic within a neighborhood, accelerates deterioration of homes and infrastructure, can overburden utilities and services such as sewers, and results in a shortage of on-site parking. Table H4-8 shows the proportion of overcrowded housing units in Paso Robles. According to the 2014-2018 American Community Survey, a total of 521 Paso Robles households lived in overcrowded conditions in 2018, representing approximately four percent of all households. Overcrowding rates vary substantially by income, type, and size of household. In Paso Robles, twice the proportion of renter-occupied units are overcrowded (6 percent) compared with owner-occupied units (3 percent). Generally, lower-income households and large families experience a disproportionate share of overcrowding.

Table H -8: Overcrowded by Tenure

	2018					
	All Housing Units		Owner-Occupied Housing Units		Renter-Occupied Housing Units	
	Housing Units	% of all Housing Units	Housing Units	% of all Housing Units	Housing Units	% of all Housing Units
Overcrowded (1-1.5 persons/room)	457	4%	191	3%	266	5%
Severely Overcrowded (>1.5 persons/room)	64	1%	10	0.1%	54	1%
Total Overcrowded (>1 persons/room)	521	4%	201	3%	320	6%

Source: U.S. Census Bureau, ACS 5-Year Estimates 2018

### 3.3 Special Needs Groups

Certain groups have greater difficulty in finding decent, affordable housing due to their special needs and/or circumstances. Special circumstances may be related to an individual’s employment, income, family needs, household characteristics, or special housing requirements relating to a disability.

State Housing Element law identifies the following special needs groups: senior households, disabled persons, female-headed households, large families, families and persons in need of emergency shelter, and farmworkers. Table H4-9 summarizes Census data regarding special needs groups residing in Paso Robles.

Table H - : Paso Robles Special Needs Groups

Special Needs Groups	Persons	Households
Seniors (65 and over)	5,039	2,691
Living Alone	1,478	-
With a Disability	1,636	-
Disability (5 years and older)	3,591	-
Female-headed Family Household	-	1,361
With Children	-	757
Large Households	-	1,049
Farmworkers	787	-
Homeless Persons	239	-

Source: U.S. Census Bureau, ACS 5-Year Estimates 2018; San Luis Obispo County Homeless Census & Survey Comprehensive Report 2019

#### Senior Households

Senior households typically have special housing needs due to three primary concerns: fixed income, high health care costs, and physical disabilities. According to the 2014-2018 American Community

Survey, 5,039 Paso Robles residents were over the age of 65 years. Of those residents, 1,478 persons were living alone and 1,636 had a disability. Because many seniors have fixed or limited income, they may have difficulty making monthly mortgage or rent payments.

Various programs can assist seniors' needs, including congregate care, supportive services, rental subsidies, shared housing, and housing rehabilitation assistance. For the frail elderly, or those with disabilities, housing with architectural design features that accommodate disabilities can help ensure continued independent living. Senior housing with supportive services can also be provided to allow independent living. According to the State Department of Social Services (in 2020), there are 23 residential care facilities for the elderly in Paso Robles, with licensed facilities having a total capacity of 302 persons.

### Disabled Persons

Disabled persons have special housing needs because they may have fixed incomes and face a lack of accessible and affordable housing, as well as higher healthcare costs associated with their disability. The Census Bureau defines four types of disability: sensory, physical, mental, and self-care. Disabilities are defined as mental, physical, or health conditions that last over six months. According to the 2014-2018 American Community Survey, a total of 3,591 persons over the age of five with disabilities reside in Paso Robles.

The living arrangements of disabled persons depends on the severity of the disability. Many persons live at home independently or with other family members. To maintain independent living, disabled persons may need assistance. This can include special housing design features for the physically disabled, income support for those who are unable to work, and in-home supportive services for persons with medical conditions. Such services may be provided by public or private agencies.

To facilitate housing for persons with disabilities, in 2009 the City adopted a "reasonable accommodation" ordinance (Ordinance 958 N.S.) to remove constraints for housing the disabled. This ordinance:

1. Provides an administrative procedure to enable necessary alterations to make a dwelling unit accessible to the disabled should such alterations conflict with existing zoning ordinance regulations for such standards as setbacks, projections into yards (e.g. for wheelchair ramps), and maximum heights for graded slopes and/or retaining walls
2. Clarifies that a variety of group living arrangements with six or fewer residents, primarily those for disabled persons, are permitted by right in all residential zoning districts

This ordinance did not establish any requirements that such housing be separated from another similar facility by a minimum distance.

In 2011, SB 812 became effective. This law requires that the Housing Element include an analysis of the special housing needs of developmentally disabled persons. Many persons with developmental disabilities can live and work independently within a conventional housing environment. Individuals with more severe developmental disabilities require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before

adulthood, the first issue in supportive housing for the persons with developmental disabilities is transition from the person's living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) provides community-based services to approximately 330,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Tri-Counties Regional Center (TCRC) is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities who reside in Ventura, Santa Barbara, and San Luis Obispo Counties. TCRC is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families. As of 2020, TCRC served approximately 14,000 people in their three-county area, with 340 staff members. According to the Tri-Counties Regional Center, there were about 425 developmentally disabled client served in Paso Robles (within the 93446 ZIP code) in 2020. (The boundary of this ZIP code extends beyond the Paso Robles city limits.)

## Female-Headed Households

Female-headed households with children often require special consideration and assistance due to their greater need for affordable housing, accessible day care, health care, and other supportive services. Because of their relatively lower incomes and higher living expenses, such households usually have more limited opportunities for finding affordable, decent, and safe housing. The most effective remedy for this problem is to increase the supply of multifamily (rental) housing units.

In 2018, Paso Robles had 1,361 female-headed households, of which 757 included children under 18 years old. These households are a particularly vulnerable group because the head of household must balance the needs of her children with work responsibilities. According to the U.S. Census 2018 American Community Survey, 15 percent of all female-headed families and 19 percent of female-headed families with children under 18 in Paso Robles lived in poverty.

## Large Households

Large households are defined as having five or more members residing in the home. These households constitute a special need group, because there is often a limited supply of adequately sized, affordable housing units in a community. To save for other necessities such as food, clothing and medical care, it is common for lower-income large households to reside in smaller units, which frequently results in overcrowding. Paso Robles has a total of 1,049 large households (9 percent of all households). Among large households, 50 percent are owners and 50 percent are renters. Renter households are overrepresented in comparison to their proportion of all households (41 percent). Many large families looking for adequately sized units look to rental single-family homes, which are generally more expensive. To address overcrowding, communities can provide incentives to facilitate development of larger apartments with three or more bedrooms for large households. A shortage of large rental units can also be alleviated through the provision of affordable ownership housing opportunities, such as first-time homebuyer programs and self-help housing (e.g., People's Self Help Housing Corp., Habitat for Humanity) to move renters into homeownership.

arm or ers

Farmworkers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farm laborers work in fields, orchards, processing plants, or support activities on a generally year-round basis. Workloads are generally very high during harvest season, with labor force being supplemented by seasonal or migrant workers. The primary labor-intensive agriculture in the area around Paso Robles is wine grape growing. Other agricultural uses in the area such as dry farming for barley and hay tend to be capital (machinery) intensive. Farmworkers are generally considered to have special housing needs because of their very limited income and the seasonal nature of their employment. Some of the issues related to farmworker housing include residency, limited income, overcrowding, and substandard housing conditions. Census data shows that 787 (five percent) of Paso Robles residents in the labor force were employed in the agriculture, forestry, fishing, and hunting industries.

In general, development of new rental housing affordable to low- and very low-income households helps address the housing needs of the City's year-round farmworker population.

In 2009, to accommodate the housing needs of seasonal farmworkers, the City adopted an amendment to the Zoning Ordinance (Ordinance 958 N.S.) to comply with the provisions of Sections 17021.5 and 17021.6 of the State's Health and Safety Code. This zoning amendment provides for the following:

1. That any employee (farmworker) housing providing accommodations for six or fewer employees shall be deemed a single-family structure permitted in an agricultural or residential zoning district and shall not require a conditional use permit
2. That any employee (farmworker) housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household shall be deemed to be an "agricultural land use designation" permitted in the AG (Agriculture) and RA (Residential Agriculture) zoning districts and shall not require a conditional use permit

## Homeless Persons

The 2019 San Luis Obispo County Homeless Point-in-Time Count and Survey included a complete enumeration of all unsheltered and publicly or privately sheltered homeless persons. The general street count was conducted on January 28, 2019 from approximately daybreak to 10:00 AM and covered all of San Luis Obispo County. On January 28, 2019, 1,483 individuals in San Luis Obispo County met the HUD definition of homelessness. This represents an increase of 32 percent from 2017. The survey counted 221 unsheltered and 18 sheltered persons experiencing homelessness in Paso Robles.

Seventy-four percent of those identified as homeless resided in San Luis Obispo County prior to experiencing homelessness, and 44 percent have lived in the county for more than 10 years. Of the surveyed population, 20 percent are chronically homeless, and 10 percent are minors (18 years old or younger). Where individuals lived prior to experiencing homelessness and where they have lived since impacts the way they seek services, as well as their ability to access support from friends or family. Previous circumstances can also point to gaps in the system of care and to opportunities for systemic improvement and homelessness prevention. Unstable living conditions, poverty, housing scarcity, and many other issues often lead to individuals falling in and out of homelessness. For many, the experience of homelessness is part of a long and recurring history of housing instability. Many individuals who

experience homelessness will do so numerous times, as people often cycle in and out of stable housing. Recurring homelessness is also an indicator of the homeless assistance and housing systems ability to address individuals' needs for stable, permanent housing.

When surveyed to identify barriers to permanent housing, 66 percent of the responders cited not being able to afford the rent, followed by 35 percent citing not enough income. Many individuals experiencing homelessness face significant barriers in obtaining permanent housing. These barriers can range from housing affordability and availability to accessing the economic and social supports (e.g., increased income, rental assistance, and case management) needed to access and maintain permanent housing.

Facilities and services available to the City's homeless population include the following:

1. El Camino Homeless Organization (ECHO), a nonprofit organization based in northern San Luis Obispo County, provides a 24-hour shelter with 60 beds in Atascadero. Since an estimated 20 to 25 percent of its clients come from Paso Robles (of which most are families with children), the City has made several grants of CDBG funds to support ECHO's annual operating costs.

In 2018, the City of Paso Robles declared a shelter crisis enabling the City to apply for Homeless Emergency Aid Program (HEAP) funds to construct and operate a Paso Robles Homeless Services Center in conjunction with ECHO. The City then entered into a contract with ECHO for professional services to assist in the design and ultimate operation of the center, intended to open in 2021. Extreme cost overruns and the additional requirement to construct a costly pedestrian path at the Highway 46/101 junction put the project in jeopardy; subsequent City budget cuts in response to the Covid-19 pandemic have halted the project indefinitely and ended the City's outsourcing agreement with ECHO. The City will reallocate its portion of the HEAP grant -- over \$900,000 -- to ECHO in support of its existing programming.

Currently the City is working to provide a temporary alternative site for homeless individuals camping in the fire-prone areas of the Salinas Riverbed. Plans include making portable bathrooms, showers, and tents available in a safer open space within City limits. People's Self-Help Housing has indicated a willingness to partner with the City and ECHO in pursuing other grant opportunities to create more permanent relocation sites for the homeless.

The City continues to offer use of City property at Riverside and 24<sup>th</sup> streets free of charge to ECHO and the nonprofit group, Paso Cares, to provide a free evening meal for people experiencing homelessness and others who face hunger in the community.

2. Cities Homeless Coalition operates an overnight warming center at the Lutheran Church of the Redeemer in Atascadero to provide a safe, warm, and dry place for homeless adults to find shelter for the night during the winter on nights with predictions of temperatures at or below 40°F, or especially stormy weather (with rain forecast at 50 percent or greater). The seasonal warming center is offered between November 1 and April 30, weather and funding dependent.
3. Since 1996, the Community Action Partnership of San Luis Obispo County (CAPSLO) has operated the Maxine Lewis countywide shelter with 50 beds (supplemented with 25 to 35 beds by the Interfaith Coalition) in the City of San Luis Obispo at 750 Orcutt Road. Operating funds for this shelter have come from federal Community Development Block Grant (CDBG), federal Emergency Solutions Grant (ESG), and general funds provided by the "Urban County" of San Luis

Obispo (consisting of the County and those cities, including Paso Robles, which participate in the entitlement CDBG, HOME and ESG programs) and the City of San Luis Obispo. The biggest challenge in operating this shelter is amassing enough operating funds on an annual basis.

4. CAPSLO also operates the Prado Road homeless day center in San Luis Obispo, which is generally funded in the same manner as the shelter and faces the same annual challenges in obtaining sufficient operating funds.
5. The North County Women’s Resource Center operates a domestic violence shelter in Paso Robles. The City has supported this facility with several grants of CDBG funds to rehabilitate the shelter building.
6. Good Samaritan Shelter’s Santa Maria Emergency Shelter and Bridgehouse program are emergency shelters designed to meet the needs of homeless individuals and families. Good Samaritan Shelter was established in 1987. On January 31, 1988, the 28-bed modular shelter at 406 S. Pine Street began providing services. Good Samaritan’s Family Shelter is located at 401 W. Morrison Avenue., Building C. The family shelter was developed in response to the growing need of a program to assist families who are in limbo due to social and economic hardship.
7. Transitional Food and Shelter, a nonprofit organization based in San Luis Obispo County, provides motel vouchers or rooms rented in apartments to homeless who are incapable of staying in a regular homeless shelter because of illness or disability. Transitional Food and Shelter operates the Medically Fragile Homeless program, a countywide service based in Atascadero, and the Atascadero Warming Center, which serves those living in Atascadero and surrounding areas. The City has made several grants of CDBG funds annually to support this program.
8. The Second Baptist Church, in partnership with several local churches, provides daily meals, donated clothing, and showers for the homeless. The City has provided grants of CDBG funds to support the costs of equipment (e.g. refrigerators) and materials (food) for this service.

## Housing Characteristics

This section addresses various housing characteristics and conditions that affect the well-being of Paso Robles residents. Housing factors evaluated include housing stock and growth, tenure and vacancy rates, housing age and condition, housing costs, and affordability.

### Housing Type

Table H4-10 summarizes the types of housing in Paso Robles. With relatively limited housing growth occurring, the composition of the housing stock has remained relatively unchanged over time. Most of the stock comprises single-family homes (78 percent). Multifamily dwelling units account for 20 percent, with mobile homes making up the remaining two percent.

Table H -10: Changes in Housing Stock, City of Paso Robles 2014-2018

Housing Type	2014		2018	
	No. of Units	% of Total	No. of Units	% of Total
Single-Family	9,079	78%	9,228	78%
Detached	8,267	71%	8,415	71%
Attached	812	7%	813	7%
Multifamily	2,309	20%	2,355	20%
2-4 Units	935	8%	955	8%
5+ Units	1,374	12%	1,400	12%
Mobile Homes	294	3%	294	2%
Total Units	11,682	100%	11,877	100%
Homeowner Vacancy Rate	1.9%		1.5%	
Rental Vacancy Rate	2.9%		1.9%	

Sources: State Department of Finance: E-5 Reports (2014 and 2018); U.S. Census Bureau, 2014 and 2018 American Community Survey 5-Year Estimates Data Profiles

## vacancy rate

A measure of the availability of and demand for housing is the vacancy rate. Generally, a vacancy rate of four to five percent is considered “healthy,” allowing persons to move and find housing without undue upward pressure on housing prices because of a lack of supply to meet the need. In 2018, the State Department of Finance reported an overall vacancy rate of 3.9 percent in Paso Robles.

## Housing Age and Condition

Housing age can generally be used as an indicator of housing conditions within a community. Like any other tangible asset, housing is subject to gradual deterioration over time. If not properly and regularly maintained, housing can deteriorate and discourage reinvestment, depress neighboring property values and eventually impact the quality of life in a neighborhood. Consequently, maintaining and improving housing quality is an important goal for the City of Paso Robles.

Table H4-11 provides a breakdown of housing stock by year built. As of 2018, about 58 percent of housing units are over 30 years old. A general rule in the housing industry is that structures older than 30 years begin to show signs of deterioration and require rehabilitation or replacement. Unless properly maintained, homes older than 50 years usually require major renovations to remain in attractive and functional.

Paso Robles has been proactive in ensuring in particular that multifamily housing be maintained. In 2019-2020, in collaboration with local housing organizations, businesses, and other agencies within San Luis Obispo County, Paso Robles worked to rectify substandard housing conditions at the former Grand View Apartments. The City reported code violations at the apartment complex, which contains 54 units, and ordered that the violations be rectified. Ultimately, a court ruling in September 2019 allowed the owners of Grand View Apartments to evict all tenants and sell the property. The City worked with local hotels and affordable housing providers towards short- and long-term housing solutions for the existing residents. The property was sold in 2020; the new property owner was issued a building permit (B20-0297) on July 13, 2020, and construction to rehabilitate the units is underway. With the resolution of the



Grand View code enforcement case, there are no open cases that would be considered substandard housing units (i.e., red-tagged).

Table H -11: Paso Robles Age of Housing Stock

Year Structure	# of Units	% of Stock
2014 or later	302	2%
2010 to 2013	200	2%
2000 to 2009	2,980	24%
1990 to 1999	1,816	14%
1980 to 1989	2,788	22%
1970 to 1979	1,955	16%
1960 to 1969	1,024	8%
1940 to 1959	1,094	9%
1939 or earlier	431	3%
<b>Total</b>	<b>12,590</b>	<b>100%</b>

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates Data Profiles

**Public Housing**

The Paso Robles Housing Authority has owned and managed the 25-acre parcel located on the North end of Paso Robles known as The Oak Park Community since 1942. Oak Park originally consisted of 148 units constructed to serve the enlisted men, women, and families of Camp Roberts during WWII. In 2012, the Paso Robles Housing Authority committed to disposition out of public housing and into an affordable housing project with plans to demolish the existing units over time (depending on available financing) and construction of up to 302 units constructed in four phases. To date, three phases of the redevelopment project are complete. Oak Park 1 and Oak Park 2 offer a total of 150 new affordable family-style apartment homes with ample amenities. Oak Park 3, 76 units, opened in March 2019. Oak Park 4 is currently under construction. The rents are targeted to qualified families making 30 to 60 percent of the San Luis Obispo County median income. To assist this project, the City has provided low interest loans of general fund monies to defer payment of City fees for every phase of the project:

1. Phase One: \$1.018 million
2. Phase Two: \$899,000
3. Phase Three: \$999,423
4. Phase Four: \$1,438,461

**Housing Costs and Affordability**

The cost of housing is directly related to the extent of housing problems in a community. If housing costs are relatively high in comparison to household income, there will be a correspondingly higher prevalence of overpayment and overcrowding.

Table H4-12 shows median home prices and the number of homes sold in Paso Robles between 2007 and 2019. Home prices rose steadily during the early 2000s but began to fall in 2007. Beginning in

2007, home prices adjusted downward with the continuing Great Recession of the time. In 2012, prices began rebounding and fully recovered losses by 2016.

Table H -12: Median Home Prices in Paso Robles 2007-2018

	2007 *	2009	2010	2012	2013	2014	2015	2016	2017	2018	2019
Median Home Price (\$ thousands)	441.0	317.5	301.6	310.0	358.0	401.0	416.4	444.2	471.5	501.2	506.7
Number of Homes Sold	372	N/A	541	N/A	694	673	785	837	796	772	790

Sources: 2008 UCSB Economic Forecast Project estimate for Paso Robles: 2007; DataQuick: 2009, 2010, 2012, and 2013, and Zillow Home Value Index, Inventory, Listings, and Sales 2014, 2015, 2016, 2017, 2018, and 2019

According to the U.S. Census 2018 American Community Survey Five-Year estimates, the median rent in Paso Robles was \$1,188 per month. The median rents in Paso Robles are lower than the County median rents as estimated by U.S. Department of Housing and Urban Development 50th Percentile Rent Estimates.

Table H -13: Median Rents

Number of Bedrooms	City of Paso Robles Median Gross Rent	San Luis Obispo-Paso Robles-Arroyo Grande, CA MSA 50 Percentile Rents HUD
No bedroom	\$825	\$1,243
1 bedroom	\$884	\$1,374
2 bedrooms	\$1,159	\$1,786
3 bedrooms	\$1,745	\$2,576
4 bedrooms	\$2,083	\$3,136
Median Rent	\$1,188	\$1,385

Sources: U.S. Census Bureau, 2018 ACS (5-year estimates); U.S. Department of Housing and Urban Development 50<sup>th</sup> Percentile Rent Estimates, 2020

During the public engagement workshop on January 29, 2020, participants noted that the median rents estimated by the Census appeared lower than expected. In 2020, rents are generally higher than those reported in 2018, with the median rent estimated at \$1,682,<sup>2</sup> with a studio apartment averaging \$990; 1-bedroom units averaging \$1,120; 2-bedroom units averaging \$1,440, 3-bedroom units averaging \$2,080, and 4-bedroom units averaging \$2,530.<sup>3</sup>

Housing affordability in Paso Robles can be inferred by comparing the cost of renting or owning a home with the income levels of households of different sizes. Table H4-14 shows the annual income ranges for extremely low-, very low-, low-, and moderate-income households and the maximum affordable monthly rental payment based on 30 to 35 percent of gross household income as affordable housing costs (depending on tenure and income level as defined by HUD). The table also displays the maximum affordable home sale or rental price based on income category and unit size.

<sup>2</sup> As reported on RentCafe.com, January 30, 2020.

<sup>3</sup> As reported on BestPlaces.net, January 30, 2020.

Paso Robles homes priced at the 2020 median sales prices of \$506,700 are affordable only to households in the upper end of the moderate-income range. Thus, home ownership is out of range for many moderate and all low-, very low- and extremely low-income households. Average rents are affordable for moderate-income households but are unaffordable without overpayment or overcrowding for households earning at the extremely low-, very low-, and low-income levels.

Table H -1 : Affordable Housing Costs by Household Size and Tenure - 201

Income Group	Annual Income Limits	Renter	Owner	Home (purchase price)	Rental (per month)
<b>Extremely Low (0-30% AMI)</b>					
1-Person	\$18,900	\$473	\$473	\$50,736	\$313
2-Person	\$21,600	\$540	\$540	\$51,202	\$328
3-Person	\$24,300	\$608	\$608	\$40,729	\$297
4-Person	\$26,950	\$674	\$674	\$53,064	\$363
5-Person	\$30,170	\$754	\$754	\$48,735	\$360
<b>Very Low (30-50% AMI)</b>					
1-Person	\$31,500	\$788	\$788	\$109,385	\$628
2-Person	\$36,000	\$900	\$900	\$118,229	\$688
3-Person	\$40,500	\$1,013	\$1,013	\$116,135	\$702
4-Person	\$44,950	\$1,124	\$1,124	\$136,848	\$813
5-Person	\$48,550	\$1,214	\$1,214	\$134,288	\$820
<b>Low (50-80% AMI)</b>					
1-Person	\$50,350	\$1,259	\$1,259	\$197,126	\$1,099
2-Person	\$57,550	\$1,439	\$1,439	\$218,538	\$1,227
3-Person	\$64,750	\$1,619	\$1,619	\$229,011	\$1,308
4-Person	\$71,900	\$1,798	\$1,798	\$262,292	\$1,487
5-Person	\$77,700	\$1,943	\$1,943	\$269,972	\$1,549
<b>Moderate Income (80-120% AMI)</b>					
1-Person	\$73,500	\$1,838	\$2,144	\$361,902	\$1,678
2-Person	\$84,000	\$2,100	\$2,450	\$406,820	\$1,888
3-Person	\$94,500	\$2,363	\$2,756	\$440,800	\$2,052
4-Person	\$105,000	\$2,625	\$3,063	\$497,820	\$2,314
5-Person	\$113,400	\$2,835	\$3,308	\$524,119	\$2,441

Assumptions: California Department of Housing and Community Development 2019 income limits; 30 - 35% gross household income as affordable housing costs (depending on tenure and income level); 20% of monthly affordable cost for taxes and insurance; 10% down payment, 4% interest rate for a 30-year fixed rate mortgage loan; utilities based on Housing Authority of the City of San Luis Obispo 2019 Utility Allowance for Paso Robles.

Sources: California Department of Housing and Community Development, 2019; Housing Authority of the City of San Luis Obispo, 2019; MIG, 2020.

Generally, market rate apartments are marginally affordable to low-income and very low-income households (meaning a portion of the inventory is priced to be affordable to that income group), but other than studio apartments, are not affordable to extremely low-income households. Subsidized housing is needed to provide affordable housing to very low- and extremely low-income households.

## Housing Preservation

In 2019, the City adopted an Interim Urgency Ordinance that halts development or construction of any non-residential or non-multifamily residential use on property currently used for five or more multifamily residential dwelling units in the R-3, R-4, R-5 TC-1, TC-2, T-4, and T-3 zoning districts during the time that the interim urgency ordinance is in effect. The City stated that the loss of any existing multifamily residential units during the Housing Element process is a significant concern. The conversion of multifamily housing to non-residential use could cause the permanent displacement of hundreds of individuals, particularly low- and very low-income families, causing a loss of community for those residents. The loss would further exacerbate the housing crisis and reduce the available multifamily rental housing supply within the City, increasing demand and rents for remaining units and further aggravating the harms to public safety, health and welfare caused by a shortage of rental housing. Pursuant to the requirements of the California Government Code, the maximum period allowable for Interim Urgency Ordinance is no more than two years.

## Assisted Housing Projects at Risk

Housing Element law requires jurisdictions to provide an analysis and program for preserving the affordability of assisted housing developments for the next 10 years (2021-2031). Based on City records and information from the California Housing Partnership Corporation, in the next 10 years (2013-2023), no assisted housing developments in Paso Robles are at risk of losing affordability.

Pursuant to Government Code Section 65863.11, the State maintains a list of “Entities Interested in Participating in California’s First Right of Refusal Program” at <https://www.hcd.ca.gov/policy-research/docs/HPD-00-01.xlsx>. This list includes two entities interested in properties in San Luis Obispo County and several entities interested in properties located in any county. It is worthy to note that City staff has contributed time in past years to assisting owners of assisted housing to negotiate with lenders such as the U.S. Department of Agriculture to extend their subsidies.

In the event that a development becomes at risk of conversion to market-rate housing, the City will maintain contact with local organizations and housing providers who may have an interest in acquiring at-risk units and, when feasible, keep track of and apply for funding opportunities to preserve at-risk units and assist other organizations in applying for funding to acquire at-risk units.

## Energy Conservation

Energy conservation has long been promulgated in California as a way to reduce pollutant emissions and reduce fossil fuel consumption. Energy conservation also provides lower-income households with a way to reduce housing costs. In the 1970s, standards were adopted in California to institutionalize energy conservation practices. Title 24 of the California Administrative Code sets mandatory energy standards for new development and requires adoption of an “energy budget.” The home building industry is required to comply with these standards, which are enforced by the relevant local municipality.

Paso Robles has adopted the 2019 Building Codes, including CalGreen, complies with the Title 24 standards, and enforces compliance by requiring certified energy calculations for building designs and conducting on-site inspections of energy devices and improvements needed. As of 2020, single-family homes and multifamily buildings that are up to three stories high must provide solar panels and conform to the new solar power standard.

The General Plan Conservation Element includes a goal to conserve energy resources and a policy to investigate and implement as feasible, energy conservation measures.

Several additional efforts to address energy conservation are listed below:

*Circulation Element (2011)*

1. Incorporates “complete streets” principles, as directed by AB 1358 (2008) in which streets are designed for use by pedestrians of all ages, bicycles, and transit, as well as autos and trucks
2. Promotes alternative modes of transportation: pedestrians, bicycles, and transit
3. Establishes safe routes to school to encourage walking as an alternative to autos
4. Discontinue using Level of Service (LOS) as standard for vehicular traffic. LOS drove the need for continuous widening of streets and expensive intersection improvements that encouraged higher speeds, exhaust emissions, greater use of fuel, and greater amounts of asphalt that consumed petroleum products and generated heat.
5. Calls for subdivisions to incorporate grid street patterns

*Uptown/Town Centre Specific Plan (2011)*

This specific plan encompasses 1,100 acres of urbanized land on the historic West Side of the City, between 1st and 38th Streets and between the Salinas River and Vine Street. This specific plan establishes a vision for infill development and redevelopment in a manner that incorporates mixed uses, increased residential densities, a variety of housing types (but mostly multifamily residential), and improved circulation (primarily bicycle and pedestrian paths and transit).

1. Promotes/enables substantially increased use of mixed use
2. Replaces residential density standards (maximum units per acre) with performance standards (parking, setbacks, open space) that are reduced from the current Zoning Ordinance. If relatively smaller units (e.g., one-bedroom or 800- to 900-square-foot two-bedroom units as opposed to 1,200-square-foot two-bedroom units) are built, a combination of factors will allow higher densities than the Zoning Ordinance would. This leads to a compact urban form that facilitates/raises demand for transit and walking and cycling as an alternative to use of personal vehicles.
3. Encourages use of solar energy to generate electricity and heat water for residential uses
4. Proposes infrastructure improvements to serve pedestrians and cyclists
5. Proposes new neighborhood commercial centers to reduce vehicle miles traveled

*Climate Action Plan*

On November 19, 2013, the City Council adopted a Climate Action Plan to provide a roadmap for reducing greenhouse gas emissions pursuant to AB 32. This plan contains a variety of voluntary and mandatory measures to be taken by the private sector and the City.

*Low Impact Design*

On February 18, 2014, the City Council adopted updated design standards to conform to the Regional Water Quality Control Boards’ post-construction stormwater regulations. On July 2, 2013, the City Council adopted Ordinance 991 N.S., which reduced off-street parking requirements (number of spaces and dimensions of spaces and drive aisles) to facilitate addition of low impact design measures.

### *Landscape and Irrigation Ordinance*

In 2010, the City adopted an ordinance that limits the amount of turf area and types of irrigation that may be provided in residential and commercial development.

### *Incentives*

Pacific Gas and Electric (PG&E) provides energy conservation services for residents and provides specific energy assistance programs for lower-income households. PG&E also offers rebates for energy-efficient home appliances and remodeling. Rebates are available for cooling and heating equipment, lighting, seasonal appliances, and remodeling (cool roofs, insulation, water heaters). These opportunities are available to all income levels and housing types. PG&E's Energy Savings Assistance Common Area Measures facilitates energy retrofits of the common areas and central systems in multifamily properties through technical assistance, cash incentives, and program coordination to income-eligible, deed-restricted multifamily buildings.

## .0 Housing constraints

Actual or potential constraints to the provision of housing affect the development of new housing and maintenance of existing units for all income levels. Governmental and non-governmental constraints to preserving and producing housing in Paso Robles are similar to those in other jurisdictions in the region and are discussed below.

### .1 Governmental constraints

Although local governments have little influence on such market factors as interest rates and availability of funding for development, their policies and regulations can affect both the amount of residential development that occurs and the affordability of housing. Since governmental actions can constrain development and housing affordability, State law requires the Housing Element to “address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.” The City’s primary policies and regulations that affect residential development and housing affordability include Title 21 (Zoning) of the Paso Robles Municipal Code (Municipal Code), the General Plan, the Uptown/Town Centre Specific Plan, development processing procedures and fees, on- and off-site improvement requirements, and building codes. In addition to a review of these policies and regulations, an analysis of governmental constraints on housing production for persons with disabilities is included in this section.

#### General Plan

In the General Plan Introduction, the City presents two overarching goals that directly affect housing:

Goal 1: In order to enhance Paso Robles’ unique small-town character and high quality of life, the City Council supports the development and maintenance of a balanced community where the great majority of the population can live, work, and shop.

Goal 4: Strive to ensure that City services and facilities are maintained at current (2003) levels and/or in accordance with adopted standards.

The City Council has an adopted Fiscal Policy “to assure that the City’s finances are managed in a manner that will (1) provide for the delivery of quality services and products cost effectively, (2) provide for an acceptable level of services and products as the community grows, (3) ensure that the City is living within its means, and (4) provide reserves for unbudgeted needs that might arise from time to time.”

To implement the General Plan goals and Fiscal Policy, and to protect the public health and safety, the City has adopted the Zoning Ordinance, Subdivision Code, Building Code, and a schedule of fees for development and permit processing. Altogether, these codes and fees can pose constraints to the development of affordable housing; the effects are reviewed in this chapter.

#### oning regulations

Title 21 of the Municipal Code allows residential development in the agriculture zone (AG), seven residential zones (R-A, R-1, R-2, R-3, R-3-O, R-4, and R-5), eight Uptown/Town Centre Specific Plan zones (T3-N, T3-F, T4-N, T4-F, T4-NC, TC-1, TC-2, and RSC), and one commercial zone (OP). In addition, the Mixed-Use Zoning District Overlay allows mixed-use projects in strategic locations. Table H5-1 summarizes the zoning districts that allow residential development.

Table H -1: Zoning District and General Plan Designations Comparison

Zoning Districts	Maximum Density (units/acre) <sup>1</sup>
AG	N/A <sup>2</sup>
R-A	N/A <sup>2</sup>
R-1	6.25 units/acre <sup>3</sup>
R-2	8 units/acre
R-3, R-3-O	12 units/acre
R-4	16 units/acre
R-5	20 units/acre
T3-N, T3-F	8-12 units/acre
T4-N, T4-F, T4-NC, TC-1, TC-2, and RSC	30 units/acre <sup>4</sup>
OP	N/A <sup>2</sup>
MU Overlay	12 units/acre in residential zoning districts 20 units/acre in commercial zoning districts
<b>Notes:</b>	
1. Maximum density is provided for when average slope of the developable area is between 0%-4.99%.	
2. Maximum density not stated. In the OP zone, a CUP is required for new/additional dwellings beyond one per parcel.	
3. The minimum lot size for any variation of the R-1 zone is 7,000 square feet.	
4. Maximum density for Uptown/Town Centre Specific Plan zones (Form Based Code) set by City interpretations	

Table H5-2 summarizes the housing types allowed by zones throughout the City, with the exception of areas covered by the Uptown/Town Centre Specific Plan. Each use is designated by a letter denoting whether the use is permitted by right (P) or conditionally permitted (C).

Table H -2: Residential Uses Allowed in Zones Outside of the Uptown/Town Centre Specific Plan

Residential Use	AG	RA	R1	R2	R3	R30	R4	R5	OP	PM
Single Family Detached	P	P	P	P	P	P	P	P	P*	--
Accessory Dwelling Unit	P	P	P	P	P	P	P	P	P	--
Single Family Attached	P	P	P	P	P	P	P	P	P*	--
Multi-Family				P	P	P	P	P	C	--
Residential Care (6 or fewer persons)	P	P	P	P	P	P	P	P	P	--
Residential Care (more than 6 persons)	--	--	C	C	C	C	C	C	--	--
Emergency Shelter	--	--	--	C	C	C	C	C	--	P
Manufactured Homes	P	P	P	P	P	P	P	P	P	--
Mobile Homes - 1 per lot	--	--	P	--	--	--	--	--	--	--
Mobile Home Parks	--	--	--	--	--	--	C	--	--	--



Table H -2: Residential Uses Allowed in Zones Outside of the Uptown Town Centre Specific Plan

Residential Use	AG	RA	R1	R2	R3	R30	R4	R5	OP	PM
Transitional & Supportive Housing	P	P	P	P	P	P	P	P	--	--
Farmworker Housing- 6 or fewer employees <sup>1</sup>	P	P	P	P	P	P	P	P	--	--
Farmworker Housing- 36 beds in group quarters or 12 units or fewer <sup>1</sup>	P	P	--	--	--	--	--	--	--	--

1. Farmworker housing is considered to be "employee housing" per, and subject to regulations in, Sections 17021.5 and 17021.6 of the Health and Safety Code. Farmworker housing may not be located on property within the Airport Land Use Plan.

The Zoning Ordinance states that within the Mixed-Use Overlay Zoning District, first story uses along street frontages should only be commercial uses. Program 6 in the Housing Plan is included to amend the Mixed-Use Overlay to allow for horizontal mixed-use to occur whereby stand-alone residential uses may be allowed if adjacent to other parcels with nonresidential uses. In addition, through the public engagement process, participants recommended increasing the allowable density of the Mixed-Use Overlay Zoning District within commercial zoning districts from 20 to 30 units per acre to allow for additional flexibility in design and construction. This proposed zoning text amendment is also included in Program 6.

Table H5-3 summarizes the housing types allowed by zones within the Uptown/Town Centre Specific Plan. Each use is designated by a letter denoting whether the use is permitted by right (P) or conditionally permitted (C).

Table H -3: Residential Uses Allowed in Zones within the Uptown Town Centre Specific Plan

Residential Use	T3-N	T3-F	T4-N	T4-F	T4-NC	TC-1	TC-2	RSC
Single Family Detached	P	P	P	P	--	--	--	--
Accessory Dwelling Unit	P	P	P	P	P	P	P	P
Single Family Attached	P	P	P	P	--	--	--	--
Multi-Family	P	P	P	P	P	P	P	P
Residential Care (6 or fewer persons)	P	P	P	P	P	--	--	--
Residential Care (more than 6 persons)	C	C	C	C	C	C	C	--
Emergency Shelter	--	--	--	--	--	--	--	P
Manufactured Homes	P	P	P	P	--	--	--	--
Transitional & Supportive Housing	P	P	P	P	P	P	P	P

Table H5-4 outlines development standards for the residential zones outside of the Uptown/ Town Centre Specific Plan.

Table H - : residential one development standards

Standard	Single Family (R-1 Zone)	Multifamily (R-2, R-3, R-4, R-5 Zones)	Effect on Affordability
Minimum lot size	7,000 sq. ft., which increases with slope	None	None. There are ample acreages with relatively flat slopes. Larger lots on slopes are an environmental issue.
Minimum lot width	70 ft, which increases with slope	None	
Minimum lot depth	100 ft, which increases with slope	None	
<b>Setbacks</b>			
Front	House – 15 ft Garage – 20 ft	Local streets – 15 ft Arterials – 25 ft	Not significant. The City is a rural/suburban community.
Street Side	House – 10 ft Garage – 20 ft	Local streets – 10 ft Arterials – 25 ft	Not significant. The City is a rural/suburban community.
Interior Side	1 story - 5 ft 2 stories – 10 ft	1 story – 5 ft 2 stories – 10 ft* 3 stories – 15 ft* *5 ft on lots 50 ft or narrower	Not significant. The City is a rural/suburban community.
Rear	20 ft	1 & 2 stories – 10 ft 3 stories – 15 ft	Not significant. The City is a rural/suburban community.
Separations between dwellings on same property	10 ft if second unit is detached	1 & 2 stories – 20 ft Between 2 & 3 stories – 25 ft 3 stories – 30 ft	Not significant. The City is a rural/suburban community.
Height Limits	35 ft	R-2 – 35 ft and 2 stories R-3, R-4, R-5 – 40 ft and 3 stories	Not significant. The City is a rural/suburban community. Housing Element Program 15 is added to remove the number of stories requirement to increase flexibility.
Open Space	50% max lot coverage	Equivalent of 375 sq. ft. of shared open space per unit; private open space receives x 1.5 sq. ft. of shared open space; common recreational amenities also required based on project size	A lower equivalent shared open space requirement could improve affordability; however, reductions are permitted if open space is provided as private open space (200 sq. ft. per unit).
Community Room/Day Care Center	Not applicable	For projects with 32 or more units – 20 sq. ft. per unit at a minimum of 1,200 sq. ft.	This requirement will be removed from the Zoning Ordinance consistent with Program 15.
Storage Space	Not applicable	250 cubic ft per unit; may not be accessed internally unless associated with a garage	May add to cost of multifamily housing. A reduction of this requirement may be granted as an incentive for affordable housing complexes.
Design/Architectural Review	Generally required	Required	Not significant. The City typically requires architectural treatments that are inexpensive, mostly measures to provide articulation.

Table H5-5 presents development standards for the residential zones within the Uptown/Town Centre Specific Plan.

Table H - : pto n To n entre pefic Plan one evelopment tandards

Standard	T-3N and T-3F	T-4N, T-4F, and T-4NC	TC-1 and TC-2	RSC	Effect on Affordability
Minimum lot size	None				None; quite lenient
Minimum lot width	Regulated based on building types and number of stories				
Minimum lot depth	100 ft for most building types; 120 ft for Courtyard Housing				
<b>Setbacks</b>					
Front	15 ft	T-4N – 12 ft T-4F – 10 ft T-4NC – 0 ft	0 ft	5 ft	Reduced requirement relative to zones outside Uptown/Town Centre Specific Plan area
Street Side	12 ft	T-4N & T-4F – 10 ft T-4NC – 0 ft	0 ft	0 ft	
Interior Side	1 story – 5 feet 2 stories – 8 ft* 3 stories – 8 ft* *5 feet on lots 50 ft or narrower	T-4N & T-4F 1 story – 5 feet 2 stories – 8 feet* 3 stories – 8 feet* *5 feet on lots 50 feet or narrower T-4NC – 0 ft	0 ft	0 ft	
Rear	10 ft	T-4N & T-4F – 10 ft T-4NC w/ alley – 5 ft T-4NC no alley – 15 ft	TC-1 w/ alley – 5 ft TC-1 no alley – 15 ft TC-2 w/ alley – 5 ft TC-2 no alley – 5 ft	RSC w/ alley – 5 ft RSC no alley – 10 ft	
Height Limits	T-3N – 2 stories and 26 ft T-3F – 3 stories and 36 ft	3 stories and 36 ft	4 stories and 50 ft	3 stories and 36 ft	
Open Space	Single family – duplexes, triplexes, and quadplexes: 20% of lot area; Rowhouses: 15% of lot area; Carriage House: 200 sq. ft.; Villa and Courtyard Housing (large apartments): 150 sq. ft.; apartments in mixed use buildings: 80 sq. ft.				Reduced requirement relative to zones outside Uptown/Town Centre Specific Plan area.
Design/Architectural Review	Required				Not significant. The City typically requires architectural treatments that are inexpensive, mostly measures to provide articulation.

**Parking Requirements**

The City’s residential parking requirements are based upon land use type and number of bedrooms, with visitor spaces based on the number of units instead of bedrooms. As shown in Table H5-6, two parking spaces are required per single-family residential unit. Multifamily residential units generally average about two spaces per unit after accounting for guest parking.

Table H - : Residential Parking Requirements

Parking (Off-Street)	Single Family	Multifamily	Effect on Affordability
Per Unit	2 per residence	2+ bedrooms – 2 per unit 1 bedroom/studio – 1.5 per unit outside Uptown/Town Centre Specific Plan, 1 per unit within Uptown/Town Centre Specific Plan	Reduction of requirement for 1 bedroom/studio – 1 space per unit would help affordability outside of the Uptown/Town Centre Specific Plan. (Density Bonus law allows this.)
Visitor	None	1 space per 5 units for 5+ units outside Uptown/Town Centre Specific Plan	Visitor parking requirement adds to cost of multifamily housing. Density Bonus law allows waiver of requirement for visitor spaces and no visitor parking spaces are required in the Uptown/Town Center Specific Plan.

In certain situations, citywide parking requirements may be reduced or waived. This includes some alternative parking arrangement options:

1. *Mixed Use Development.* For mixed use development, the combined parking requirements for residential and nonresidential uses may be reduced by up to 33 percent.
2. *Porous Spaces.* Only one space per studio or one-bedroom unit is required for multifamily housing if the parking space surface is constructed from porous concrete or porous pavement
3. *Bicycle Parking.* Bicycle parking may substitute parking spaces in lots with 20 or more spaces. A bicycle rack providing for at least five bicycles at a ratio of one bicycle rack for each 20 spaces is allowed.
4. *Compact Car Spaces.* For compact car spaces, lots with 20 or more spaces may substitute compact car spaces for up to 20 percent of the total number of spaces.
5. *Motorcycle Parking.* For motorcycle parking, lots with 20 or more spaces may replace regular spaces with motorcycle spaces at a ratio of one motorcycle space for each 20 spaces.

Parking requirements may also be further reduced or waived in the Uptown/Town Centre Specific Plan. This includes some alternative parking arrangement options:

1. *Mixed Use Development.* For mixed use development, 66 percent of the parking spaces required for commercial use may be used to meet the parking requirements for residential use.
2. *Shared Parking.* Parking requirements may be met by the provision of spaces in off-site lots. Off-site parking shall be located within a 1,250-foot walking distance (corresponding to a five-minute walk) of the use it is intended to serve. Where approved by the review authority, off-site parking may be located at a more remote site. In considering a request for off-site parking at a distance greater than 1,250 feet, the review authority shall consider whether adequate provisions, such as shuttle service, have been provided to bring drivers from the parking to the site.

3. *Tandem Parking.* Tandem parking is allowed for single family housing. Multifamily units and residential components of mixed-use developments may use tandem parking if both tandem spaces are assigned to the same dwelling unit and only a maximum of 50 percent of the total off-street parking spaces provided incorporate tandem parking.

The parking requirements shown in Table H5-6 are not constraints to the development of multifamily or affordable housing. The provisions for parking reductions or waivers facilitate the creation of multifamily and affordable housing by reducing costs associated with providing parking.

## Provisions for a variety of Housing Types

State housing element law requires that jurisdictions facilitate and encourage a range of housing types for all economic segments of the community. The Zoning Ordinance accommodates a wide variety of conventional and special needs housing consistent with HCD guidelines.

### **Multifamily Housing**

Multifamily housing development is allowed by right in R-2, R-3, R-3-O, R-4, R-5, and all zones in the Uptown/Town Centre Specific Plan (except for OS). Multifamily housing development is conditionally allowed in the OP zone.

### **Housing for Agricultural Employees (Permanent and Seasonal)**

Permanent and seasonal housing for agricultural employees is allowed by right in accordance with Health and Safety Code Sections 17021.5 and 17021.6. Any employee housing occupied by six or fewer employees is allowed by right in the AG, R-A, R-1, R-2, R-3, R-3-O, R-4, and R-5 zones, except for properties within the Airport Land Use Plan. Such housing is considered a single-family structure with a residential land use and must be treated the same as a single-family dwelling of the same type in the same zone. Any employee housing consisting of no more than 36 beds in a group quarters, or 12 units or separate rooms or spaces designed for use by a single family or household, is allowed by right in the AG and R-A zones, except for properties within the Airport Land Use Plan, and must be considered an agricultural land use and be treated the same as any other agricultural activity in the same zone.

### **Emergency Shelters**

Government Code Section 65583 requires jurisdictions to identify a zone or zones where emergency shelters are permitted without a Conditional Use Permit (CUP) or other discretionary permits. In December 2011, pursuant to these regulations, the City adopted Ordinance 976 N.S. to amend its Zoning Ordinance to allow emergency shelters by right in two zones that were determined to have sufficient capacity to meet the City's need for emergency shelters. Emergency shelters are allowed by right in the PM zone on properties facing Sherwood Road, Commerce Way, Fontana Road, and Linne Road in the Commerce Industrial Park and in the RSC (Riverside Corridor) zone of the Uptown/Town Centre Specific Plan. Emergency shelters are also conditionally allowed in the R-2, R-3, R-3-O, R-4, R-5, and PF zones.

Recent legislation (AB 101) requires Low-Barrier Navigation Centers to be allowed by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses. Program 14 is proposed to ensure that the City meets the requirements of AB 101. In 2019, Paso Robles approved a one-year agreement with El Camino Homeless Organization (ECHO) to assist the City in the development and operation of a navigation center. ECHO is pursuing a combined shelter and navigation facility that would include 36 shelter beds, with the ability to expand to accommodate 48 total beds; the development will also include laundry facilities. The project is located within the Public Facility (PF) Zone.

## **Transitional and Supportive Housing**

Transitional and supportive housing are allowed by right in the AG, R-A, R-1, R-2, R-3, R-3-O, R-4, and R-5 zones and all of the zones in the Uptown/Town Centre Specific Plan (except for OS). Government Code Section 65583 requires transitional housing and supportive housing be considered residential uses subject to the same restrictions that apply to the same housing types in the same zone. Transitional and supportive housing are permitted in all residential zones and thus held to the same development standards as other residential uses of the same type in the same zone.

Effective January 1, 2019, AB 2162 (Supportive Housing Streamlining Act) requires supportive housing to be considered a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development meets specified criteria. The law prohibits local governments from imposing any minimum parking requirement for units occupied by supportive housing residents if the development is located within one-half mile of a public transit stop. AB 2162 also require local entities to streamline the approval of housing projects containing a minimum amount of supportive housing by providing a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for a CUP or other similar discretionary entitlements. Program 14 is proposed to ensure that the City meets the requirements of AB 2162.

## **Single-Room Occupancy (SRO)**

Single-room occupancy is not specifically mentioned in the Municipal Code or Uptown/Town Centre Specific Plan. However, boardinghouse/roominghouses, which have a similar function, are conditionally permitted in the R2, R3, R30, R4, and R5 zones.

## **Mobile Homes and Factory-built Housing (Manufactured Homes)**

State law requires that manufactured homes be allowed in residential zones. These units cannot be regulated by any planning fees or review processes not applicable to conventional single-family dwellings. However, the architectural design of manufactured homes can be regulated. Chapter 21.15A of the Municipal Code addresses manufactured homes to clarify that manufactured homes are allowed by right on any lot in that also allows single-family residential uses. Manufactured homes are subject to the same regulations as conventional single-family homes. As reported by the Department of Finance, there are 294 manufactured homes in Paso Robles. In a survey of 2020 manufactured homes for rent across San Luis Obispo County, Paso Robles had the lowest average rental rate across all jurisdictions in the county.<sup>1</sup>

The Zoning Ordinance discusses both manufactured homes and mobile homes. As indicated in Program 15, the City will update definitions for clarity and consistency with State law and modify Zoning Table 21.16.200 (Permitted Land Uses for All Zoning Districts) as needed.

Mobile home parks are allowed with approval of a Conditional Use Permit in the R-4 zone and individual mobile home dwellings are allowed by right in the R-1 zone. The City presently has five mobile home parks.

## **Accessory Dwelling Units**

Accessory dwelling units (ADUs) can be an important source of affordable housing since they are smaller than primary units and do not have direct land costs for their construction. Supporting the development of ADUs expands housing opportunities for very low-, low-, and moderate-income households by increasing the number of rental units available within existing neighborhoods. ADUs are defined within the Municipal

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<sup>1</sup> Placeworks, San Luis Obispo County Accessory Dwelling Unit and Mobile/Manufactured Home Market Study Report, January 2020.

Code as “second units” which are attached or detached secondary residential dwelling units on the same lot as an existing single family (primary) dwelling and are permitted by right where single-family uses are permitted. A second unit provides complete independent living facilities for one or more persons and includes permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel on which the existing single-family dwelling is situated.

The City last updated its ADU ordinance in 2005. The State Legislature has passed numerous new provisions for ADUs (previously known as second units) to promote their construction. These include allowing ADUs to be built concurrently with a single-family home, allowing for ADUs in multi-family zones, modifying fees from utilities such as special districts and water corporations, and reducing parking requirements. In Paso Robles, second units, now referred to generally as ADUs, are allowed as an accessory use to single-family dwellings and are subject to all development standards of the underlying zoning district, with a few minor exceptions:

1. *Floor Area.* The total floor area of a second unit shall not exceed thirty percent of the total floor area of the existing dwelling unit area or 1,200 square feet, whichever is greater.
2. *Setbacks.* A second unit shall maintain the setbacks required in the underlying zoning district for a primary dwelling. Detached second units shall not be considered as detached accessory buildings for the purpose of determining setbacks.
3. *Building Separations.* A minimum separation of ten feet shall be maintained between the primary dwelling and a detached second unit.
4. *Architectural Design.* The design of the second unit shall be compatible with the design and scale of the primary dwelling (using substantially the same landscaping, color, materials, and design on the exterior).
5. *Attached Second Units.* If the second unit is attached to the primary dwelling, each shall be served by separate outside entrances. The interior wall(s) of an attached unit which separate it from the main unit shall be fire-rated according to the most recent uniform building code.
6. *Occupancy.* Second units must be rented, and occupants need not be related to the owner or occupant of the primary dwelling (which may itself be a rental unit).
7. *Services.* For a second unit to be approved, it must be served by City water and sanitary sewer systems. (In 2005, Ordinance 907 updated the Municipal Code to allow ADUs to have their own utility meters.)

AB 2299 provides that any existing ADU ordinance that does not meet the new requirements is null and void as of January 1, 2017. In such cases, a jurisdiction must approve ADUs based on Government Code Section 65852.2 until the jurisdiction adopts a compliant ordinance. Jurisdictions are not required to create ordinances for ADUs; however, any jurisdiction that does adopt an ADU ordinance must submit the ordinance to HCD within 60 days. Program 3 in the Housing Plan commits the City to adopting an updated ADU ordinance, including parking standards, to comply with Government Code Section 65852.2. Through the public engagement process, it was recommended that the City explore additional incentives for ADUs, including reduced parking for all accessory dwelling units throughout the Uptown/Town Centre Specific Plan area.

## Building Codes and Enforcement

Building codes and enforcement can also increase the cost of developing housing, particularly affordable rental housing. The Building Division oversees the plan check and inspection process for all construction requiring a Building Permit. Paso Robles implements the 2019 edition of the California Building Code, 2019

edition of the California Green Building Standards Code, and other model construction codes, with amendments adopted by the California Building Standards Commission. These model codes establish standards and require inspections at various stages of construction to ensure code compliance and minimum health and safety standards. Although these standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties, the codes are mandated for all jurisdictions in California.

## ite Improvements

To provide a safe and suitable environment for residential development, the City requires that certain public improvements be made. On-site improvements typically include private or shared driveways, parking areas, drainage, sections of underground pipe, swales, ponding areas, and amenities such as landscaping, fencing, open space, park facilities, and masonry walls for noise buffering. Off-site improvements typically include:

1. Sections of roadway, medians, bridges, sidewalks, and bicycle lanes
2. Sewage collection and treatment
3. Landscaping and irrigation systems within parkways of public streets
4. Water systems, including lines, storage tanks, and treatment plants (Paso Robles Water Division)
5. Public facilities for fire, school, and recreation

The costs of on- and off-site improvements are usually passed along to the homebuyer as part of the final cost of the home. The on- and off-site improvement standards imposed by the City are typical for most communities and do not pose unusual constraints for housing development; in addition, fees associated with new roadways have been significantly reduced based on a reevaluation of the Circulation Element, as initiated by the Housing Constraints and Opportunities Committee.

## Permit Processing

Housing production may be constrained by development review procedures. The City of Paso Robles development permitting process includes three levels of review, as discussed below. Table H5-7 shows typical processing times for the three types of review, once an application has been determined to be complete. Government Code Section 65943 requires that the City determine whether or not an application is complete within 30 days of its submittal. It is not uncommon for the City to take 30 days for applications that require discretionary review. The reason for this is that such applications are commonly complex and staff resources are limited. For items that require semi-discretionary and staff review, the amount of time needed to determine if an application is complete is commonly one to two weeks. Program 12 provides for the review of and revisions to procedures to streamline the permitting process.



Table H - : Planning Permit Process

Residential Types	Applications	Level of Review	Typical Processing Time <sup>1</sup>	Findings <sup>2</sup>
Single Family, 4 or fewer units	Site Plan if in Hillside Development Overlay Zone	Semi-Discretionary (DRC)	2-4 weeks	Not Required
	Plot Plan outside of Hillside Development Overlay Zone	Ministerial (City Staff)	1-2 weeks	Not Required
Single Family, 5 or more units	Development Plan (PD) – if in PD Overlay Zone, Subdivision (Tentative Tract) Map	Discretionary <sup>3</sup> (Planning Commission)	3-6 months if no EIR <sup>4</sup> is required.	Section 21.23B.050 for PD; Gov't. Code Section 66474 for Subdivisions
Multi-Family, 4 or fewer units	Site Plan	Semi-Discretionary <sup>3</sup> (DRC)	2-4 weeks	Not Required
Multi-Family, 5 or more units	Development Plan (PD)	Discretionary <sup>3</sup> (Planning Commission)	3-6 months if no EIR <sup>4</sup> is required	Section 21.23B.050 for PD
Res. Care Facility – 6 or fewer	None	None	None	None
Res. Care Facility – more than 6	Conditional Use Permit (CUP)	Discretionary <sup>3</sup> (Planning Commission)	3-6 months if no EIR <sup>4</sup> is required	Not Required
Emergency Shelter	Site Plan if located in RSC or PM* zones	Semi-Discretionary <sup>3</sup> (DRC)	2-4 weeks	Not Required *In the vicinity of Commerce Way
	CUP if located in zones R2, R3, R4, R5, or PF	Discretionary <sup>3</sup> (Planning Commission)	3-6 months if no EIR <sup>4</sup> is required	Section 21.23.250 for CUP
Manufactured Homes (1 per lot)	Same as single family			
Mobile Homes	If one per R-1 Lot, Plot Plan If mobile home park, CUP and PD	Ministerial (City Staff)	1-2 weeks	Not Required
		Discretionary (Planning Commission)	3-6 months if no EIR <sup>4</sup> is required	Section 21.23.250 for CUP; Section 21.23B.050 for PD
Transitional and Supportive Housing	None for occupancy of existing buildings, otherwise same process as for single and multi-family housing.	None for occupancy of existing buildings	None for occupancy of existing buildings	
Farmworker Housing	<i>State Permit for Employee Housing per Health and Safety Code Sections 17021.5 and 17021.6 Required. No City permit required.</i>			
Second unit	Plot Plan	Ministerial (City Staff)	1-2 weeks	Not Required

1. Measured from date of finding that an application is complete. See Government Code Section 65943.
2. All findings are listed in Appendix O.
3. Discretionary to design only, not to land use.
4. EIR = Environmental Impact Report

## **Discretionary Review (Planning Commission)**

Applications for subdivision (tract and parcel) maps, development plans (e.g., residential development with five or more units per lot), Conditional Use Permits, and variances require that findings be made at a public hearing. The Planning Commission meets twice monthly. Prior to a Planning Commission meeting, such applications are reviewed by the Development Review Committee (DRC), which is a standing subcommittee of the Planning Commission; the DRC meets weekly. The DRC may suggest revisions to proposed project design, which applicants may or may not elect to undertake prior to having the Planning Commission review their plans. The City has found that having the DRC pre-review discretionary applications tends to expedite their processing. The Planning Commission often tasks the DRC with reviewing detailed plans for building elevations, landscaping, and signage after approval of a discretionary application, but prior to issuance of a building permit (as a condition of approval). This secondary use of the DRC reduces up-front costs associated with providing detailed drawings earlier in the process. Applicants can receive conceptual approval on major site plan and grading issues before incurring expense for details. Program 18 is included in the Housing Element to amend the Zoning Ordinance to revise the threshold of review for development plans that are reviewed by the Planning Commission to 10 or more units per lot, an increase from five or more units per lot.

## **Semi-Discretionary Review (Development Review Committee)**

Applications for site plans (generally development that is categorically exempt from review under CEQA), including multifamily housing with four or fewer units, may be approved by the DRC, which does not impose conditions of approval, but may direct applicants to revise the design of a development to be compatible with neighboring properties or to conform with the design guidelines. As noted above, DRC meetings are conducted weekly and open to the public.

## **Ministerial Review (City Staff)**

City staff has the authority to approve plot plans for individual single-family homes, lot line adjustments, and ADUs.

## **Processing Time**

Time spent processing development permits presents a cost to developers (e.g., land holding costs and construction loan interest) ultimately passed onto buyers and renters and can impact housing affordability. To reduce the amount of time necessary to process development permits, the City has taken, and continues to implement, the following measures:

1. The City encourages development projects that require multiple applications (e.g., tract map and development plan) and the review of their environmental documents (required under CEQA) to be processed simultaneously.
2. The City complies with the State Permit Streamlining Act (Government Code Sections 65920 et seq.) and Subdivision Map Act (Government Code Sections 66410 et seq.), which mandate that the City take action to approve, conditionally approve, or deny a development application within prescribed time periods (depending upon the environmental review status of an application) following receipt of a complete application.
3. The City strives to process complete applications for discretionary applications within 90 days of receipt of a complete application. (Single-family tracts and multifamily complexes are processed in the same time frame. The City does not have any overlay zones that have increased level of permit processing review.) However, the actual speed of processing a complete application depends upon

- the scale of a development application (e.g., acres, number of dwelling units, complexity of environmental issues, etc.).
4. Complete applications for DRC review are typically reviewed and presented in a two- to three-week time period; staff level ministerial review is generally completed within a week.
  5. The City's development standards do not mandate expensive materials (e.g., tile roofs) or complex site arrangements.
  6. The City has prepared detailed application requirement handouts for all types of development applications.
  7. The City encourages developers to meet informally with City staff to preview applications to identify design, environmental, neighborhood compatibility, and General Plan conformance issues before finalizing plans. The City does not charge for its pre-application review services.
  8. The Uptown/Town Centre Specific Plan includes detailed architectural guidelines to help explain the City's expectations for design. It is expected that these guidelines will help developers prepare better submittals and thereby reduce the amount of time in the permitting process.

### **SB 35 Approval Process**

SB 35 (Government Code Section 65913.4) requires cities and counties to streamline review and approval of eligible affordable housing projects by providing a ministerial approval process, exempting such projects from environmental review under CEQA. When the State determines that jurisdictions have insufficient progress toward their lower-income RHNA (very low and low income), these jurisdictions are subject to the streamlined ministerial approval process for proposed developments with at least 50 percent affordability. If the jurisdiction also has insufficient progress toward their above moderate-income RHNA, then it is subject to the more inclusive streamlining for developments with at least 10 percent affordability.

As of March 2020, the City of Paso Robles was subject to SB 35 streamlining for proposed developments with at least 10 percent affordability. The City has not received any applications or inquiries for SB 35 streamlining. To accommodate any future SB 35 applications or inquiries, Program 12 in the Housing Plan calls for the City to create and make available to interested parties an informational packet that explains the SB 35 streamlining provisions in Paso Robles and provides SB 35 eligibility information.

### **Local Ordinances that Directly Impact Cost and Supply of Housing**

State law requires that cities include an analysis of any locally adopted ordinance that directly impacts the cost and supply of residential development, such as inclusionary housing ordinances and short-term rental ordinances. The City of Paso Robles does not have an inclusionary ordinance. After 30 public meetings over four years, the City adopted a short-term rental ordinance that established a limit on short-term rentals. Short-term rental permits and business licenses are only issued for applications that are consistent with all the ordinance requirements and numeric caps (75 maximum properties in the R-1 zone, 250 maximum units in all other zones). If the City issues more than 75 "grandfathered" short-term rental permits in the R-1 zone or 250 in all other zones, the City will develop a waiting list for additional applicants. Adopted in 2019, this ordinance will be reviewed annually and will expire if not modified or replaced in three years.

ees and actions

### **Development Fees**

Development fees are charged to cover the cost of providing municipal services or mitigating project impacts within three defined transportation areas established by Resolution 19-017 (effective January 1,

2020). Transportation area “A” covers most of the City, including Downtown, the Uptown/Town Centre Specific Plan area, and most major arterials. Transportation area “B” comprises the Gateway Annexation along with other properties south of Charolais Road. Transportation area “C” contains land surrounding the airport, the Beechwood and Olsen - South Chandler Specific Plan areas, and a majority of the land east of Creston Road. The development fees for each of the transportation areas are summarized in Table H5-8.

Table H -8: estimated Average development fees for e Housing, 2020  
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Fee	Transportation Area "A" <sup>3</sup>		Transportation Area "B"		Transportation Area "C"	
	Single Family	Multifamily	Single Family	Multifamily	Single Family	Multifamily
<b>Transportation</b>						
Studio ≤ 450sqft	\$2,909	\$754	\$3,861	\$1,000	\$9,983 (all)	\$2,586
MF ≤ 600sqft	(all)	\$1,131	(all)	\$1,501		\$3,880
MF > 600sqft		\$2,005		\$2,661		\$6,880
<b>Police</b>						
Studio ≤ 450sqft	\$85 (all)	\$37	\$85 (all)	\$37	\$85 (all)	\$37
MF ≤ 600sqft		\$60		\$60		\$60
MF > 600sqft		\$99		\$99		\$99
<b>Fire</b>						
Studio ≤ 450sqft	\$1,152	\$433	\$1,152	\$433	\$1,152 (all)	\$433
MF ≤ 600sqft	(all)	\$650	(all)	\$650		\$650
MF > 600sqft		\$1,152		\$1,152		\$1,152
<b>Governmental</b>						
Studio ≤ 450sqft	\$3,338	\$1,255	\$3,338	\$1,255	\$3,338 (all)	\$1,255
MF ≤ 600sqft	(all)	\$1,882	(all)	\$1,882		\$1,882
MF > 600sqft		\$3,338		\$3,338		\$3,338
<b>Park and Recreation</b>						
Studio ≤ 450sqft	\$3,264	\$1,227	\$3,264	\$1,227	\$3,264 (all)	\$1,227
MF ≤ 600sqft	(all)	\$1,840	(all)	\$1,840		\$1,840
MF > 600sqft		\$3,264		\$3,264		\$3,264
<b>Library</b>						
Studio ≤ 450sqft	\$1,077	\$405	\$1,077	\$405	\$1,077 (all)	\$405
MF ≤ 600sqft	(all)	\$607	(all)	\$607		\$607
MF > 600sqft		\$1,077		\$1,077		\$1,077
<b>School District</b>						
Studio ≤ 450sqft	\$7,580 <sup>1</sup>	\$1,702 <sup>2</sup>	\$7,580 <sup>1</sup>	\$1,702 <sup>2</sup>	\$7,580 <sup>1</sup> (all)	\$1,702 <sup>2</sup>
MF ≤ 600sqft	(all)	\$2,270 <sup>2</sup>	(all)	\$2,270 <sup>2</sup>		\$2,270 <sup>2</sup>
MF > 600sqft		\$3,790 <sup>2</sup>		\$3,790 <sup>2</sup>		\$3,790 <sup>2</sup>
<b>Total Development Fees:</b>						
Studio ≤ 450sqft	\$19,066	\$5,813	\$20,357	\$5,813	\$26,479 (all)	\$5,813
MF ≤ 600sqft	(all)	\$8,440	(all)	\$8,440		\$8,440
MF > 600sqft		\$14,725		\$14,725		\$14,725
<b>Water Connection</b>	\$19,066 <sup>4</sup>	\$1,910 - \$10,160 <sup>6</sup>	\$19,066 <sup>4</sup>	\$1,910 - \$10,160	\$19,066 <sup>4</sup>	\$1,910 - \$10,160
<b>Water Meter</b>	\$219 <sup>5</sup>	\$1,290 - \$1,340 <sup>7</sup>	\$219 <sup>5</sup>	\$1,290 - \$1,340	\$219 <sup>5</sup>	\$1,290 - \$1,340
<b>Wastewater Connection</b>	\$8,093	\$810 - \$4,310 <sup>8</sup>	\$8,093	\$810 - \$4,310 <sup>8</sup>	\$8,093	\$810 - \$4,310 <sup>8</sup>

Table H -8: estimated Average development fees for the Housing, 2020  
monta t t e it of aso o les for a ro e t-s e ifi estimate of fees

Fee	Transportation Area "A" <sup>3</sup>		Transportation Area "B"		Transportation Area "C"	
	Single Family	Multifamily	Single Family	Multifamily	Single Family	Multifamily
<b>Total Water/Wastewater Fees:</b>	\$27,378	\$4,010 - \$15,810	\$27,378	\$4,010 - \$15,810	\$27,378	\$4,010 - \$15,810
<b>Total Fees:</b>	\$46,783 (all)	\$9,823 - \$21,623	\$47,735 (all)	\$10,069 - \$21,869	\$53,857 (all)	\$13,458 - \$22,370
<b>Studio ≤ 450sqft</b>						
<b>MF ≤ 600sqft</b>						
<b>MF &gt; 600sqft</b>						
		\$12,450 - \$24,250		\$12,820 - \$24,620		\$17,002 - \$25,914
		\$18,735 - \$30,535		\$19,391 - \$31,191		\$25,413 - \$34,325

**Notes:**

- A. Refer to City’s website for latest fee schedule. City fee schedule may be amended independently of this table. Contact the City of Paso Robles for a fee estimate for any proposed project. This table represents an example fee structure with assumed average unit and project sizes.
- 1. Assumes a 2,000 square foot single family dwelling with an impact fee at \$3.79 per square foot.
- 2. Assumes a 449 square foot, 599 square foot, and 1000 square foot multifamily unit with an impact fee at \$3.79 per square foot.
- 3. Union/46 Specific Plan Area has an additional specific plan fee of \$6,404 (updated every fiscal year based on the Engineering News Record’s Construction Cost Index).
- 4. Water connection based on ¾" meter/Reso 10-162 for single family.
- 5. Water Meter installation assumes 1" meter for single family because of state requirement for fire sprinklers. Multi-family projects may have additional connection and meter fees associated with optional installation of a separate landscape meter intended to reduce future wastewater usage costs.
- 6. Assumes water meter connection size ranging from 2" - 3" and project size ranging between 10 and 100 units. Projects may be smaller or larger than these assumptions and resulting fees would deviate from these estimates.
- 7. Assumes water meter installation ranging from 1.5" to 2".
- 8. Assumes wastewater meter size between 2" and 3" and project size ranging between 10 and 100 units. Projects may be smaller or larger than these assumptions and resulting fees would deviate from these estimates.

Source: City of Paso Robles, 2020.

**Water and Wastewater Fees**

The City collects fees to recover its costs for providing water and wastewater (sewer) services. These fees are collected at time of building permit issuance as that is the point that the impact to these systems is first realized. The fee schedule provides for annual increases in water and sewer connection fees.

**Total Development Impact and Service Fees**

The total amount of fees varies from project to project based on type, existing infrastructure, and the cost of mitigating environmental impacts. The payment of these fees occurs at the time that the impact is realized. Since impacts to the circulation system occur upon occupancy of a dwelling unit, those impact fees must be paid prior to issuance of a Certificate of Occupancy. Postponing payment of fees until issuance of a Certificate of Occupancy helps mitigate the constraint to affordable housing that would occur if payment of the fees was due upon issuance of a building permit. Paso Robles does not control school fees, which are under the purview of the Paso Robles Joint Unified School District.

For one recent project with more than 100 units, the cost per unit for all development impact and water/wastewater connection fees was assessed at \$29,190.89 per unit (three-inch water meter size). A recent project of 10 units was assessed a fee of \$24,294.77 per unit for water using a two-inch water meter size.

## Efforts to Reduce Fees

Significant fee reductions are reflected in Table H5-8. Following the adoption of the 5<sup>th</sup> cycle Housing Element, the City Council and Planning Commission recommended a community-based Ad Hoc Committee (Housing Constraints and Opportunities Committee [HCOC]) be formed to review specific constraints and issues and to develop options to address problems identified. The HCOC made a number of significant findings and recommendations that have been implemented by the City, including new classes of work/live and apartment dwellings and deferred fees for affordable housing developments. Three major efforts were undertaken to reduce fees for smaller units, reduce water and sewer connection fees, and reduce traffic impact fees, as summarized below, all of which were supported and adopted by the City Council.

### **Development Fee Reductions for Smaller Units**

The HCOC recommended a reduction in development fees for smaller units, based on the assumption that smaller units would result in lower population and thus fewer impacts. Impact fees were reduced by 44 percent for one-bedroom units and by 62 percent for studio units. In addition, connection fees were removed for ADUs.

### **Water and Sewer Connection Fees**

An updated connection fee study was completed, which resulted in a \$7,000 reduction for single-family residential connection fees. In addition, fees for multi-family development were revised to link directly to the meter size (as is done with nonresidential uses), rather than the number of units. As a result, fees have been reduced. The City actively works with developers to right-size the meters so that costs are limited while providing the appropriate level of service.

### **Traffic Impact Fee Reductions**

As part of a comprehensive update to the Circulation Element, the HCOC formulated changes to remove unnecessary arterial street segments from the Circulation Diagram. With this change, future circulation project needs were removed. Any remaining roadway design and cost estimates were revised to be as cost effective as possible. Lastly, the AB1600 Traffic Impact Fee study was updated with three fee areas to distribute cost based on the traffic generated by development in that area. On the City's east side, new development and specific plans have higher traffic impact fees because they need new roads and interchanges, while the Downtown area requires few circulation improvements. Overall, these changes have resulted in a \$50 million dollar reduction to future circulation improvements, which translates into an overall 24 percent fee reduction. In the long run, the system will be less expensive to build and maintain since unneeded projects have been removed. Reduction of residential traffic impact fees, especially for multifamily residential, is consistent with the original goal to reduce barriers for the construction of affordable housing.

## Permit Processing Fees

The City charges various fees and assessments to cover the costs of processing permits. City records provide examples of fees charged on new housing projects. Fees collected by the City in the review and development process are limited to the City's costs for providing these services. Building and Planning reviews are based on the actual cost to provide the service; a deposit is required for each project application (see Tables H5-9 and H5-10).

Table H - : Planning fees<sup>A</sup>

Type of Development	# of units	Total Fee Paid	Fee per Unit	Fee Basis
Single Family Subdivision (Tract 3098)	9 lots	\$3,133	\$348	Time and Materials
Single Family: individual plot plan review	1	\$20	\$20	Flat Fee
Multi-Family Development (Creston Road Apts. PD 19-05)	20	\$6,924	\$346	Time and Materials
Multi-Family Development: 4 units or fewer	2-4	\$600	\$150-\$300	Flat Fee

**Note:**

A. Refer to City's website for latest fee schedule. Contact the City of Paso Robles for a fee estimate for any proposed project. This table represents example fees based on sample project sizes and do not address the universe of project sizes and types.

Table H -10: Average estimated Building Permit fees Per unit

Type of Fee	1,800 sq. ft. single-family dwelling with 400 sq. ft. attached garage <sup>1</sup>	Multifamily dwelling <sup>2</sup>
Building Permit	\$5,184	\$1,037
Building Plan Check <sup>3</sup>	\$1,240	\$541
SMIP	\$52	\$28
State Stds Dev't (SB 1473)	\$16	\$4
AB717, Automation, General Plan, Nexus Study, Record Management	\$509	\$107
Planning Review <sup>3</sup>	\$180	\$54
Grading/Encroachment Permit	\$1,100	\$500
<b>Total:</b>	<b>\$8,281</b>	<b>\$2,271</b>

<sup>1</sup> City of Paso Robles; fees in effect as of June 2020.

<sup>2</sup> Based on per-unit fees for an average 10-unit project example in effect as of June 2020 (total project cost is \$22,703).

<sup>3</sup> Estimated Plan Check. Actual fees based on actual plan check review time.

Development impact fees, along with processing planning and building fees, make up approximately three to 12 percent of a home purchase price (see Table H5-11). Fees in Paso Robles are comparable to those of surrounding communities, and the City has made significant efforts to ensure that fees accurately reflect the cost of completing permit processes and providing services.

Table H -11: Proportion of fee in Overall development cost for Typical development - 2020

Development Cost for a Typical Unit	Single Family	Multifamily
Total estimated fees	\$55,500 - \$62,500	\$12,500- \$38,000
Estimated sale price/value <sup>1</sup>	\$506,700	\$339,000 - \$459,000
Estimated proportion of fee cost to overall development cost/unit	11% - 12%	3% - 11%

1. Median Home Sales Price in 2019 (Zillow Home Value Index) and estimated home value for multiple family properties (condos, co-ops, and townhomes) on Zillow.com on June 24, 2020.

## and dedications

Land dedications also add to the cost of housing. The Municipal Code requires that any dedication necessary to provide the full right-of-way for a local street, or for an arterial or collector street as indicated in the Circulation General Plan, must be made as a condition of development. Since the developable area of residential property is reduced to accommodate rights-of-way, requirements to dedicate are considered a constraint on affordable housing; however, adequate roadways are a necessary component to provide access not only to the property but throughout the community.

The City regularly requires dedication of land for detention basins to ensure that stormwater runoff does not impact downstream properties. The Regional Water Quality Control Board, which issues a Stormwater Discharge Permit to the City, requires the City to implement “low impact design” (LID) measures to ensure that runoff maintains minimum water quality standards. Such measures increase the cost of housing. However, the necessary measures vary from site to site and with the nature and scale of proposed development.

The City may require dedication of land for passive open space. The City recovers the nominal cost of maintaining detention basins and hillside/woodland open space via annexation of the dedicated land into its Landscaping and Lighting District. Those properties benefiting from the dedicated land are assessed an annual maintenance fee in proportion to their benefit, which adds to the cost of housing.

When annexed to the Landscape and Lighting District, maintenance of parkways, streetscapes, and streetlights adjacent to new land developments is provided through a property tax assessment on those properties within the development. Annexation to the District ensures that public streetscapes are maintained for the benefit of the community as a whole without general fund fiscal impact.

All new residential development is required to be annexed to the Landscape and Lighting District unless, at the discretion of the Planning Commission, the applicant can demonstrate that a homeowners’ association or other private entity will be used to ensure that maintenance of public streetscapes, adjacent to and within the development, is comprehensive and perpetual.

Fiscal impacts to the cost of housing include district formation expenses and bi-yearly property taxes.

## community facilities districts

The 2003 General Plan (Land Use Element) calls for the City to recover the costs of providing City services to the major new Specific Plan areas and any other new development in areas to be annexed (after 2003). To accomplish this, the City has created a community facilities (Mello-Roos) district within which new development is assessed for its share of the costs associated with providing City services. Assessments are differentiated for single-family and multifamily development. These assessments are necessary to provide infrastructure to areas where limited or no infrastructure exists.

## Housing for People with Disabilities

According to the Tri-Counties Regional Center, about 425 families with developmentally disabled children or adults with developmental disabilities resided within the 93446 ZIP code (which roughly correlates to Paso Robles) in 2014. According to the California Department of Social Services, as of April 2020, the City has five large residential care facilities for the elderly, 18 residential care facilities for the elderly with six or



fewer beds, three large adult care facilities, and 11 adult care residential facilities with six or fewer beds. Additionally, Los Robles Terrace, a 40-unit subsidized complex, accepts the disabled as well as the elderly.

California law requires jurisdictions to analyze potential and actual constraints on housing for persons with disabilities, demonstrate efforts to remove impediments, and include programs to accommodate housing designed for disabled persons. Review of the Municipal Code, permitting procedures, and development standards as they pertain to such impediments is summarized below.

### **Zoning and Land Use**

Zoning regulations allow residential care facilities with six or fewer residents in all residential zones outside of the Uptown/Town Centre Specific Plan and within the T-3N, T-3F, T-4N, T-4NC, and T-4F zones within the Uptown/Town Centre Specific Plan. Residential care facilities with more than six residents may be located in the R-1, R-2, R-3, R-4, and R-5 zones outside of the Uptown/Town Centre Specific Plan and all zones (except for the RSC and OS zones) within the Uptown/Town Centre Specific Plan, subject to approval of a Conditional Use Permit. The Zoning Ordinance also accommodates transitional and supportive housing in all zones that permit single-family and multifamily uses. These facilities may serve persons with disabilities.

### **Definition of “Family”**

The Zoning Ordinance defines "family" as an individual or group of two or more persons occupying a dwelling and living together as a single housekeeping unit in which each resident has access to all parts of the dwelling and where the adult residents share expenses for food and/or rent. Family does not include larger institutional group living situations such as dormitories, fraternities, sororities, monasteries, convents, residential care facilities, or military barracks, nor does it include such commercial group living arrangements such as boardinghouses, lodging houses, and the like.

### **Building Codes**

The City implements the 2019 California Building Code (Title 17) and its regulations governing disabled access. This code does not mandate that new single-family units be accessible to the disabled. The code does require that privately funded multifamily housing with three or more units be “adaptable” for disabled access and that certain percentages of the units in publicly funded multifamily housing be made to be accessible. At most, applications for retrofitting a dwelling unit to become accessible may require issuance of a building permit, depending upon the actual work to be done.

### **Reasonable Accommodation**

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodation (i.e., modifications or exceptions) in their zoning laws and other land use regulations to allow disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to waive a setback requirement so that elevated ramping can be constructed to provide access to a dwelling unit for a resident who has mobility impairments. Whether a particular modification is reasonable depends on the circumstances and must be decided on a case-by-case basis.

Reasonable accommodation refers to flexibility in standards and policies to accommodate the needs of persons with disabilities. The Zoning Ordinance, as well as the City’s approach to code enforcement, allows for special provisions that meet the needs of persons with disabilities without the need for variances through the reasonable accommodation ordinance (Ordinance 958 N.S.).

The City has administrative/ministerial authority to hear and decide applications for reasonable accommodation, as provided by the federal Fair Housing Amendments Act and California's Fair Employment and Housing Act, to allow reasonable remedy from zoning standards for individuals with physical or mental impairment. A request for reasonable accommodation may include a modification or exception to the rules, standards, and practices for the siting, development, and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice. The Zoning Ordinance, permitting procedures, development standards, and building codes mitigate constraints to the availability of housing for persons with disabilities.

## Efforts to remove barriers

The following efforts have or will continue to remove or lessen the governmental constraints to developing housing:

1. The Permit Streamlining Act (State Code Section 65920) requires public agencies, including cities, to follow standardized time limits and procedures for specified types of land use decisions. Certain zoning districts and permit types allow for deviations from the designated zoning regulations.
2. Revisions to the multifamily zoning regulations set the City's expectations more clearly, thereby eliminating uncertainty on the part of developers and the decision making bodies (Design Review Commission, Planning Commission, and City Council) and shortening the amount of time to process development applications for multifamily housing. Revisions to the multifamily zoning regulations also included the incorporation of flexible standards so that Planned Development (PD) overlay zoning was not necessary to achieve innovative design. Additional amendments to the Zoning Ordinance are proposed in the Housing Plan to provide clarity and implement State law.
3. Revisions to the single-family zoning regulations allow for more flexibility in design, particularly in decreasing the front yard setback.
4. The multifamily designation applied in the vicinity of the Cuesta College encourages affordable housing development.
5. Cooperation with the Paso Robles Housing Authority led to financial and technical assistance to complete all phases of the redevelopment of Oak Park Public Housing. Continued work with non-profit organizations led to rehabilitate dwellings owned or rented by lower-income households.
6. Amendments to the Municipal Code accomplished the following:
  - Implemented SB 745 (Statutes of 2013) to amend the definitions for "Supportive Housing" and "Transitional Housing" and added a definition for "Target Population" to implement this bill.
  - Amended Table 21.16.200's description of second units (Item B.4.a) to remove the reference to "related senior citizens" as State Law requires that second units be open to any occupants, regardless of age or family relationship. Additional amendments will be pursued to implement an ADU ordinance that complies with State Law (Program 3).

Additionally, the City has employed the following measures to offset housing costs.

1. Formed the Housing Constraints and Opportunities Committee (HCOC) in 2016 to find opportunities to make it easier to develop housing in Paso Robles. The HCOC has been instrumental in moving forward initiatives, including reductions of development permit and utility connection fees. Since

adoption of its 5<sup>th</sup> cycle Housing Element, the City has made significant strides to encourage new housing, including fee reductions for accessory dwelling units in residential neighborhoods, new classes of work/live and apartment dwellings, deferred fees for affordable housing developments, a substantial reduction of water/sewer charges for new residential construction, and a Circulation Element update that resulted in a 24 percent reduction in the transportation impact fee associated with elimination of certain planned improvements.

2. Continued use of standardized conditions to streamline the development review process.
3. Continued use of a pre-application review process to facilitate streamlining of the development review process.
4. Utilized CDBG funds to provide infrastructure, removing one obstacle to providing affordable housing.
5. Continued strengthening of active working relationships with local private organizations that provide affordable housing such as: Peoples Self-Help Housing, the Housing Authority for the City of Paso Robles, the Housing Authority for the City of San Luis Obispo, Habitat for Humanity, and the Paso Robles Non-Profit Housing Corporation.
6. Waived a portion of the tax credit application fees for Canyon Creek Apartments and the Redevelopment of Oak Park Public Housing (subsidized/lower income projects) and has supported tax credit applications for low-income housing.
7. Adopted the Uptown/Town Centre Specific Plan to promote affordability and flexibility in housing development.

## .2 Non-Governmental Constraints

The availability and cost of housing is strongly influenced by market factors over which local government has little or no control. State law requires that the housing element contain a general assessment of these constraints, which can serve as the basis for actions that local governments might take to offset their effects. The primary non-governmental constraints to the development of new housing are land costs, construction costs, and availability of financing.

### and and Construction Costs

The cost and availability of capital financing affect the overall cost of housing in two ways: first, when the developer uses capital for initial site preparation and construction and second, when the homebuyer uses capital to purchase housing. The capital used by the developer is borrowed for the short term at commercial rates, which are considerably higher than standard mortgage rates. Construction financing is sometimes difficult to obtain for multifamily construction, which poses a significant constraint on the production of affordable housing.

Land costs include acquisition and the cost of holding land throughout the development process. These costs can account for as much as half of the final sales prices of new homes in small developments or in areas where land is scarce. Among the variables affecting the cost of land are the size of lots, location and amenities, the availability and proximity of public services, and the financing arrangement between the

buyer and seller. Land costs in single family residential neighborhoods of Paso Robles range from \$88,710 to \$1.8 million per acre.<sup>2</sup> Among the variables affecting the cost of land are the size of lots, location and amenities, the availability and proximity of public services like sewer service, and the financing arrangement between the buyer and seller. Cost considerations include the cost of the land per square foot determined by the current market as well as the intended use, the number of proposed units, or density of development permitted on the site.

Construction cost is determined primarily by the cost of labor and materials. The relative importance of each is a function of the complexity of the construction job and the desired quality of the finished product. As a result, builders are under constant pressure to complete a job for as low a price as possible while still providing a quality product. This pressure has led (and is still leading) to an emphasis on labor-saving materials and construction techniques. The price paid for material and labor at any one time will reflect short-term considerations of supply and demand. Future costs are difficult to predict given the cyclical fluctuations in demand and supply that in large part are created by fluctuations in the State and national economies. Such policies unilaterally impact construction in a region and therefore do not deter housing construction in any specific community. According to 2020 building valuation data by the International Code Council, standard housing construction costs may average \$122 to \$156 per square foot for single-family residences depending on the level of amenities provided, and \$112 to \$167 per square foot for a multifamily residential structure, depending on construction type and excluding parking.

### Availability of financing

The availability of capital to finance new residential development is a significant factor that can impact both the cost and supply of housing. Two types of capital are involved in the housing market: 1) capital used by developers for initial site preparation and construction and 2) capital for financing the purchase of units by homeowners and investors. Interest rates substantially impact home construction, purchase, and improvement costs. A fluctuation in rates of just 2.5 percent can make a dramatic difference in the annual income needed to qualify for a loan. In general, financing for new residential development is available at reasonable rates. However, economic fluctuations due to COVID-19 have caused caution among lenders and may have lasting effects through this Housing Element planning period. And while interest rates are low, lenders are considering applicants much more closely than in the past, leading to credit tightening despite affordable interest rates.

### Government Code 83 a Development Analysis

Government Code section 65583(a)(6) requires an analysis of requests to develop housing at densities below those anticipated in site inventory and the length of time between receiving approval for housing development and submittal of an application for building permit. The analysis must also look at local efforts to remove nongovernmental constraints that create a gap in the jurisdiction's ability to meet its RHNA by income category.

In Paso Robles, requests for development at densities below anticipated densities are rare. Properties generally develop at or above the allowed density (such as with a density bonus). Development approval of projects with densities lower than what is anticipated in the Housing Element is not expected. In general, and based on recent development in the City, development applications aim for densities as close as possible to what is allowed. Staff also encourages applicants to provide the maximum number of allowable units, explaining all available incentives to do so, when applicants are completing due diligence or pe-

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<sup>2</sup> A review of vacant land sales appropriate for residential development on Zillow.com on May 1, 2020 identified nine vacant lots for sale in the City. Land costs were estimated from this sample.

application work. This is especially common in the Uptown Town Center Specific Plan area since there are multiple options in the form-based code that each zone supports.

The cost of development can be affected by delays in the land development process. Market factors outside of the municipal approval process can drive up the costs and risks of private development. In Paso Robles, the length of time between receiving approval for housing development and submittal of an application for building permit is typically less than one year, pending on project complexity and the development consultant's lead time to get construction documents complete. For example, a residential project with more complex grading or drainage plans may take longer than usual to submit permits. In certain cases, applicants choose to submit building permits before receiving entitlements. To streamline development, the City has worked with developers to start building permit plan check while in the entitlement process.

The analysis must also look at local efforts to remove nongovernmental constraints that create a gap in the jurisdiction's ability to meet RHNA by income category. The primary non-governmental constraint is the overall cost of affordable housing development (high land and development costs) in most parts of the State. In general, constructing affordable housing, especially for low- and very low-income households, is not profitable to housing developers. Therefore, deed-restricted affordable units require subsidy beyond available density or financial incentives. This places the construction burden on non-profits and similar grant-funded housing developments and may result in affordable projects that are not always dispersed throughout the region but are concentrated in limited areas with lower development costs. While the City can offer developer incentives such as expedited permit processing or fee deferrals, it cannot afford to fully mitigate the high cost of development for affordable housing developments. The City has supported the redevelopment of Oak Park with construction and permanent financing (low-interest loan) for all four phases of development, serving a critical gap financing need. However, the City's ability to provide such financing is limited. The City of Paso Robles will continue to facilitate housing development by providing technical assistance, regulatory incentives and concessions, and, as available, construction and permanent financing.

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0 Resources

1 Identification of Adequate Sites for Future Housing Needs

State law requires that jurisdictions provide an adequate number of sites to allow for and facilitate the production of their regional share of housing. To determine whether a jurisdiction has sufficient land to accommodate its share of regional housing needs for all income groups, that jurisdiction must identify “adequate sites.” Under State law (California Government Code section 65583[c][1]), adequate sites are those with appropriate zoning and development standards—with services and facilities—needed to facilitate and encourage the development of a variety of housing for all income levels.

Regional Housing Targets

Table H6-1 shows the Regional Housing Needs Allocation Plan (RHNA) goals for the City, as described in the SLOCOG April 2013 RHNA Plan. This RHNA covers a 10-year projection period (December 31, 2018 – December 31, 2028).<sup>1</sup>

Table H -1: Target Housing Unit Distribution

Income Category	Dwelling Units (Target)
Very Low <sup>2</sup>	356
Low	224
Moderate	259
Above Moderate	607
<b>TOTAL</b>	<b>1,446</b>

Source: SLOCOG Regional Housing Needs Allocation Plan, 2019

Housing Element law does not require the City to ensure that the numbers of dwelling units identified in the RHNA are built within the planning period. The law does, however, require that the City provide an inventory of land suitably zoned and with available infrastructure and utilities to meet that need. Government Code Section 65583.2(c)(3)(B) specifies that a minimum density of 20 units per acre is necessary to meet the City’s low- and very low-income housing needs.

Progress Toward the H A

Since the RHNA uses December 31, 2018 as the baseline for growth projections for the 2020-2028 planning period, jurisdictions may count toward the RHNA housing units developed, under construction, or approved since December 31, 2018. Since January 1, 2019, 1,947 housing units have been developed, under construction, or approved in Paso Robles (Table H6-2). These units have the following income distribution:

<sup>1</sup> The Housing Element planning period differs from the RHNA planning period. The Housing Element covers the planning period of December 31, 2020 – December 31, 2028.

<sup>2</sup> Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low-income households (0-30% AMI). In estimating the number of extremely low-income households, a jurisdiction can use 50% of the very low-income allocation or apportion the very low-income figure based on Census data. There are 2,960 extremely low- and very low-income households, with extremely low-income households comprising 40.5% of the total. Therefore, the City’s very low-income RHNA of 607 units can be split into 246 extremely low-income and 361 very low-income units.

107 very low-income units, 90 low-income units, 526 moderate-income units, and 1,224 above moderate-income units.

Table H -2: Credits Toward the RHNA

Project	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total Units
<b>Units Constructed/Under Construction/Permits Issued/Applied</b>					
Various Single-Family Units	--	--	--	33	33
Various Small Apartment projects	--	--	41	--	41
ADUs and Rear Yard Duplexes	--	17	17	--	34
Oak Park 3	52	23	1	--	76
Oak Park 4	54	21	--	--	75
Blue Oak Apartments	--	--	--	66	66
Redtail Apartments	--	--	200	--	200
Moose Lodge Apartments	1	1	15	--	17
<b>Subtotal</b>	107	62	274	99	542
<b>Approved/Entitled Units</b>					
Various Small Apartment projects	--	--	29	--	29
Spring Street Village	--	19	55	--	74
Habitat	--	9	--	--	9
Olsen - South Chandler Specific Plan	--	--	168	1,125	1,293
<b>Subtotal</b>	0	28	252	1,125	1,405
<b>TOTAL</b>	<b>107</b>	<b>90</b>	<b>526</b>	<b>1,224</b>	<b>1,947</b>

**Affordability of Units Credited Toward the RHNA**

Units credited towards the RHNA are distributed among the four affordability groups (extremely/very low, low, moderate, and above moderate) based on affordability restrictions (as is the case with affordable housing projects) or housing cost for those specific types of units. For example, the market rate rents for apartments fall within levels affordable to the households earning moderate incomes (81-120% AMI) and are allocated as such.

HUD estimates the 50th percentile (or median) rents for the San Luis Obispo-Paso Robles-Arroyo Grande consolidated area as follows:

- \$1,243 for a studio/efficiency
- \$1,374 for a one-bedroom
- \$1,786 for a two-bedroom
- \$2,576 for a three-bedroom
- \$3,136 for a four-bedroom unit



Estimates for Paso Robles indicate lower rents than in San Luis Obispo County consolidated area. According to the real estate website Zillow, in February 2020 the median rent price in Paso Robles was \$2,050 (including all sized homes), while the median rent in the San Luis Obispo-Paso Robles-Arroyo Grande Metro area was \$2,600. A survey of the recently developed Oak Street Apartments indicated rents for a one-bedroom apartment at \$1,700 and \$2,200 for a three-bedroom apartment. Based on these data and the housing affordability thresholds shown in Table H4-14 of the Needs Assessment, apartment units are considered affordable to moderate-income (81-120% AMI) households in Paso Robles.



*Oak Street Apartments, Paso Robles*

Condominium units are considered entry-level homes and based on pricing are allocated as affordable to moderate-income households. In 2020, the median price for condominiums sold in the City was \$330,000. This price is well within the affordability level for a three-person, moderate-income family and is allocated as such. As the maximum affordable price for a three-person, moderate-income family to purchase a home (as shown in Table H4-14 of the Needs Assessment) is \$437,774, even if the condominiums were priced significantly higher, they would still be considered affordable. The market rate cost of single-family units is considered affordable to above-moderate income households.

With regard to ADUs, a study prepared for San Luis Obispo County<sup>3</sup> concluded that ADUs can provide an affordable option for lower-income households without the units being subsidized. The San Luis Obispo County study identified ADUs in Paso Robles for rent in September 2019. Of those listed for rent, the lowest was \$850 per month and the highest was \$1,450, with an average of \$1,263. The sizes of these units ranged from 340 square feet to 1,348 square feet. Based on the affordability thresholds indicated in Table H4-14 in the Needs Assessment, smaller ADUs can be assumed to be affordable to lower-income households while larger ones may be affordable to moderate-income households. (Research conducted in Seattle, Vancouver, and Portland indicates that a majority of new ADUs are leased for below-market rents, and nearly half were rented to someone with a relationship to the homeowner, such as a family member or friend, with either free or below-market rents.<sup>4</sup> )

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<sup>3</sup> Placeworks, San Luis Obispo County Accessory Dwelling Unit and Mobile/Manufactured Home Market Study Report, January 2020.

<sup>4</sup> Chapple et. al, Terner Center of UC Berkeley, Jumpstarting the Market for Accessory Dwelling Units, 2018.

To assess the affordability of ADUs in San Luis Obispo County, the household income of residents in San Luis Obispo County was examined to determine affordability relative to household income. Given the typically small habitable space of ADUs, these unit types are generally occupied by smaller households. In incorporated cities within San Luis Obispo County, average ADU rental prices are not affordable to households in the extremely low- and very low-income categories. They are, however, affordable to two-person and larger households in the low-income category and all sized households in the moderate- and above-moderate income categories. As such, half of the ADU units constructed in Paso Robles in 2019 were identified to fall within the low-income category and half within the moderate-income category.

### Units Constructed or Under Construction

According to City building permit records, since December 31, 2018, 542 new units have been constructed or are under construction in Paso Robles, of which 169 are affordable to very low- and low-income households based on affordability restrictions or market rate rents that fall within affordable levels. Constructed/under construction units include the following:

1. The third phase of the Oak Park affordable housing project was completed in 2019. The project, spearheaded by the Paso Robles Housing Authority, includes 12 one-bedroom units, 40 two-bedroom units, 22 three-bedroom units, two four-bedroom unit, and a community center on approximately 6.67 acres. Eight units are reserved for extremely low-income households, 44 units for very low-income households, 23 for low-income households, and one manager unit.



*Oak Park (Phase 3), Paso Robles*

2. Construction was completed on Blue Oak Apartments in 2019. This project includes 66 rental units included in the above moderate-income category. While some of the two-bedroom units rent at rates affordable for a four-person household, some other units are just outside of the affordable range. To be conservative, all units were counted in the above moderate category for this project.
3. Oak Park 4 (the fourth and final phase of construction on the Paso Robles Housing Authority's Oak Park Community) is currently under construction. When complete, this phase will include eight units for extremely low-income households, 46 very low-income units, and 21 low-income units.
4. Also included in the credits are two ADUs that are allocated as affordable to moderate-income households. While the City does not collect rental information on these units, rents for similar units fall within the affordable levels for small moderate-income households.
5. The Redtail Apartments project includes 200 units. The project was approved by Planning Commission, and the applicant has applied for building permits. Rental rates have not yet been established. While the units at Redtail Apartments will be rented at market-rate prices, based on

housing affordability thresholds shown in Table H4-14, the units are allocated in the RHNA credits as affordable to moderate-income (81-120% AMI) households.

6. The Moose Lodge property is being redeveloped into a mixed-use development with two buildings containing a total of approximately 4,000 square feet of commercial space and 17 three-bedroom apartments. The project utilized a density bonus and includes one very low- and one low-income unit.

**Units Approved**

Based on City records, since December 31, 2018, 1,405 new units have been approved in Paso Robles, of which 28 are affordable to lower-income households and 252 are affordable to moderate-income households (based on affordability restrictions or market rate rents that fall within affordable levels). Units approved but not yet constructed include the following:

1. Spring Street Village is located in the Uptown Specific Plan area. Previously entitled for single-family development, this revised plan includes 74 new residential units on the rear portion of the parcel, behind an existing mixed-use structure. The project utilized a density bonus and would include 19 low-income units and 55 market-rate units. While these 55 units will be rented at market-rate prices, based on average rental rates in Paso Robles, the units are allocated as affordable to moderate-income households.
2. The City approved a tentative tract map for nine units constructed by Habitat for Humanity and anticipates construction in 2020. These nine units would be affordable to low-income households.
3. The Olsen-South Chandler Ranch Specific Plan project, in the southeast corner of Paso Robles, includes 1,293 residential units, 9,800 square feet of commercial space, a possible elementary school site, and 29,335 square feet of community amenities. While the 168 apartment units will be rented at market-rate prices, based on average rental rates in Paso Robles, these units are allocated as affordable to moderate-income households.

**Remaining RHNA**

The City has already achieved the majority of its RHNA with housing units constructed, under construction, or approved. Specifically, 1,947 units have been constructed, are under construction, or approved. With these credits, the City has fulfilled its allocation of moderate- and above moderate-income units and has a remaining RHNA of 383 units (249 extremely low/very low-income units and 134 low-income units).

Table H -3: emaining H A

Income Category	RHNA	Units Constructed, Under Construction, or Approved	Remaining RHNA
Extremely- and Very-Low	356	107	249
Low	224	90	134
Moderate	259	526	0
Above Moderate	607	1,224	0
<b>Total</b>	<b>1,446</b>	<b>1,947</b>	<b>383</b>

2 Residential Sites Inventory

State law requires that jurisdictions demonstrate in the Housing Element that the land inventory is adequate to accommodate that jurisdiction’s share of the region’s projected growth. As indicated above, the City has already met a significant portion of its identified regional need. The City has a remaining RHNA of 383 units in the very low- and low-income categories. The City has available residential development opportunities with sufficient capacity to meet and exceed the identified housing need (Map A and Map B). The opportunities shown here consist of sites within proposed developments, projected ADU production, reused sites previously listed in the 4<sup>th</sup> and 5<sup>th</sup> cycle Housing Elements, vacant sites, and underutilized sites within the Uptown/Town Centre Specific Plan.

Residential Site Considerations

**Zoning Appropriate to Accommodate Housing Affordable to Lower-Income Households**

The capacity of sites that allow development densities of at least 20 units per acre are credited toward the lower-income RHNA based on State law. The California Government Code states that if a local government has adopted density standards consistent with the population based criteria set by State law (at least 20 units per acre for Paso Robles), HCD is obligated to accept sites with those density standards (20 units per acre or higher) as appropriate for accommodating the jurisdiction’s share of regional housing need for lower-income households. Per Government Code Section 65583.2(c)(3)(B), the City’s R-5 designation and the majority of zones within the Uptown/Town Centre Specific Plan are consistent with the default density standard and therefore are considered appropriate to accommodate housing for lower-income households.

Zones that allow 12 units per acre and facilitate multifamily housing are considered appropriate to accommodate housing for moderate-income households. Much of the moderate-income need will be met by private market construction of non-subsidized rental units and entry-level condominiums.

As noted above, the median price for condominiums is well within the affordability level for a three-person, moderate-income family (as shown in Table H4-14, of the Needs Assessment). The market rate cost of single-family units is considered affordable to above-moderate income households. The above moderate-income and moderate-income RHNA allocations have been satisfied with credits from projects constructed, under construction, or approved since January 1, 2019; however, some additional sites have been identified.

Table H - : Zoning and RHNA Affordability Levels

Income Category	Appropriate Density	Zones
Very Low/ Low	20+ du/ac	R-5, T4-N, T4-F, T4-NC, TC-1, TC-2, RSC
Moderate	12+ du/ac	R-3, R-4, R-5 (with slope), T3-N, T3-F
Above Moderate	Any	All above plus AG, R-1, R-2, R-3 (with slope), R-3O, OP, R-A

Notes:

1. Sites included in higher density income category only if the average slope of the developable area is less than 5%.
2. T3-N and T3-F zones (Uptown Specific Plan) allow for triplexes as the largest building type so the realistic capacity for is capped at 3 units.
3. Sites not identified in all zones.

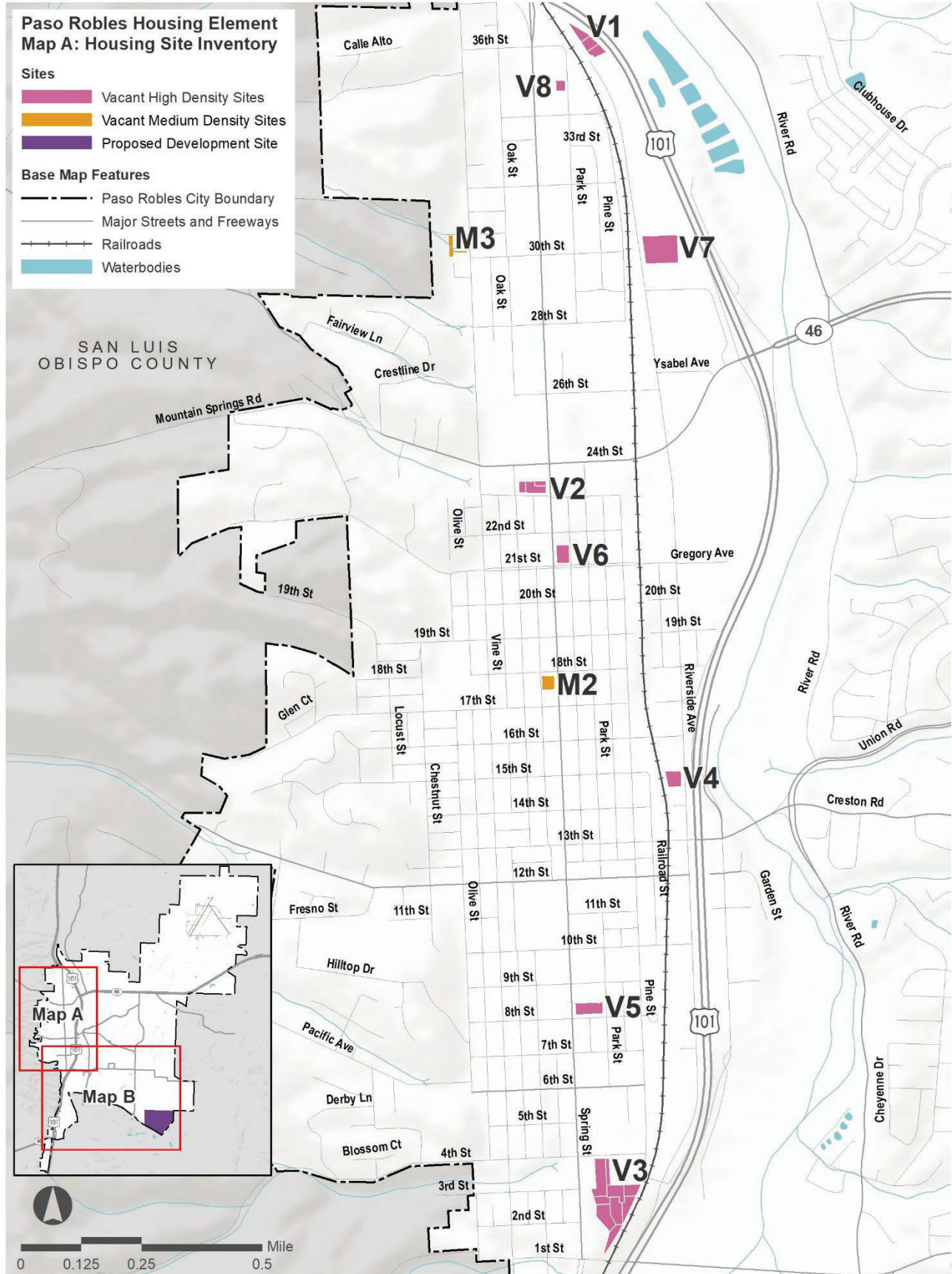
**Environmental Constraints**

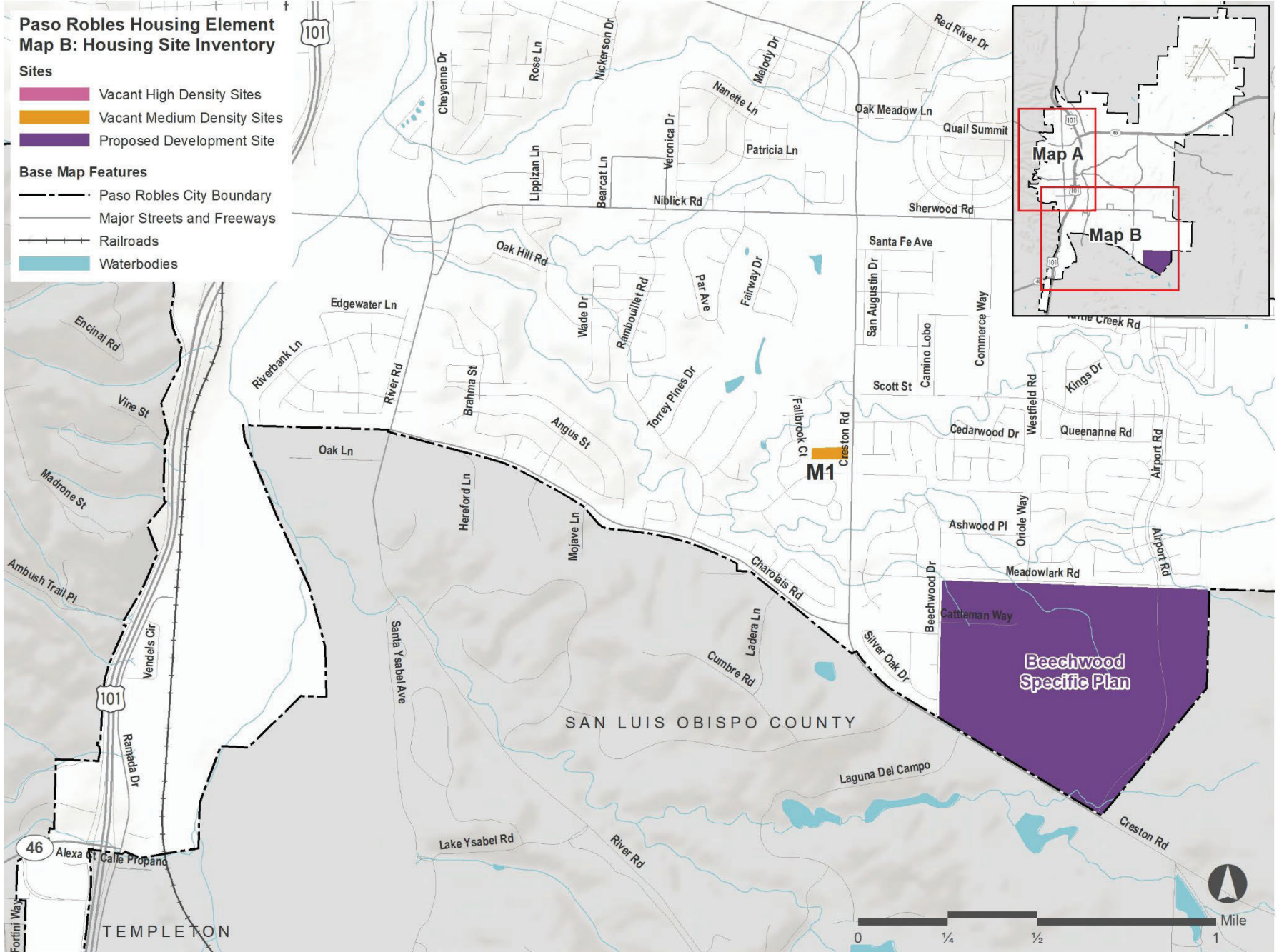
The sites inventory analysis reflects land use designations, zones, and densities established in the City’s General Plan, Zoning Ordinance, and specific plans. Average slopes for each site were calculated to determine the permitted maximum density allowed in zones outside of the Uptown/Town Centre Specific Plan (Table 21.16I.060.A.2 of the Zoning Ordinance, for example). Sites with significant slope constraints were excluded from the sites inventory to meet the lower-income RHNA. Any additional constraints that would occur on a more detailed site review basis would be addressed as part of the individual project review process. The City’s capacity to meet its regional share and individual income categories are not constrained by environmental conditions.

**Assembly Bill 1397**

Consistent with updated Housing Element law (Assembly Bill 1397) related to the suitability of small and large sites, the lower-income sites inventory presented in this section is predominately limited to parcels that are between 0.5 and 10 acres in size, as the State has indicated these size parameters are most adequate to accommodate lower-income housing need. Two vacant sites included in the inventory are less than 0.5 acres in size. These two sites were included due to their proximity to existing affordable housing (Oak Park) and developer interest and are thus considered surplus sites.

AB 1397 also adds specific criteria for assessment of the realistic availability of non-vacant sites during the planning period. If non-vacant sites accommodate half or more of the lower-income need, the housing element must describe “substantial evidence” that the existing use does not constitute an impediment for additional residential use on the site. All sites included in the sites inventory to meet the lower-income RHNA are vacant.





## Detailed Sites Inventory

The following sections provide details on the City’s 2020-2028 Housing Element sites inventory.

### Proposed Development Site

The Beechwood Specific Plan has an active application as of summer 2020. The Environmental Impact Report has been made available for public review and the project is due for consideration by the Planning Commission in July 2020. Table H-5 summarizes the residential units by income category associated with the project.

Table H - 5 : Residential Units in Proposed Development Sites by Income Category

Project	Proposed Low-Income Units	Proposed Moderate-Income Units	Proposed Above Moderate-Income Units	Proposed Total Units
Beechwood Specific Plan	20	196	736	952



*Proposed Beechwood Specific Plan*

The Beechwood Specific Plan covers approximately 234 acres in the southeastern portion of the City. The project proposes development of 911 residential units, including 100 multifamily rental units and 75 workforce for-sale units; plus 41 ADUs; approximately 5.6 acres of commercial/mixed use development; an approximately eight-acre public park; and approximately 20 acres of open space. The development objective for the neighborhoods is to create a mix of attached single-family homes (townhomes, triplex, four-plex styles) and multifamily (up to 20 units per acre) buildings interspersed within the single-family



subdivisions to offer new homes that appeal to a broad range of potential buyers with differing incomes. While the 100 multifamily rental units and 75 workforce for-sale units will be rented or sold at market-rate prices, based on average apartment rental and condominium sale price in Paso Robles in 2020, these units are allocated as affordable to moderate-income households. The proposed 41 ADUs are divided evenly between the low- and moderate-income categories and are counted as sites consistent with HCD guidelines.

**Accessory Dwelling Units**

The City reviewed ADU building permits between January 1, 2019 and January 1, 2020. A total of 34 ADUs permits are counted as credits toward the RHNA consistent with HCD guidelines. Given the quantity of previous applications and property owner’s anticipated continued interest in ADU development (and that Program 3 will further encourage new ADUs), new ADUs are projected to be developed at 45 ADUs per year. The City assumes that these units will be affordable to lower- and moderate-income households given their comparable size and rent relative to small rental units in Paso Robles (derived from the September 2019 San Luis Obispo County study and the affordability thresholds indicated in Table H4-14 in the Needs Assessment). The projected 405 ADUs (45 ADUs per year for nine years in the planning period) are divided evenly between the low- and moderate-income categories and are counted as sites consistent with HCD guidelines.

**Vacant Sites to Meet the Lower-Income RHNA**

Vacant land that allows residential development represents one of the best opportunities for accommodating new housing. All vacant sites to meet the lower-income RHNA are located within the Uptown/Town Centre Specific Plan. The Uptown/Town Centre Specific Plan is a form-based zoning code with regulations that are beneficial to housing affordability. Density within the specific plan area is not regulated by a formula that prescribes a maximum number of units per acre but rather by performance standards such as allowed building types, setbacks, open space, and (reduced) parking requirements. The City has established an interpretation for balancing environmental considerations that limits the maximum density to 30 units per acre within the specific plan area.

Consist with HCD guidelines, the review of existing and proposed multifamily projects within a zone or particular area helps to identify the realistic density that can be anticipated for potential development. Built and approved multifamily projects within the Uptown/Town Centre Specific Plan from January 1, 2019 to December 31, 2019 are listed in Table H6-6, four of which include affordable housing. The median density of these proposed and developed projects is 21.2 units per acre, which is conservatively used to calculate realistic capacity for sites within the Uptown/Town Centre Specific Plan, as many of these projects are part of larger-scale developments where the total density is substantially higher.

Table H - : ample Histor of pto nTo n centre pecific Plan ultifamil Projects

Multifamily Developments	Status	Size (Acres)	Units	Affordable Units	Density
Bellissimo Apartments, Mixed Use Building at 724 4th St	Entitled	1.0	4	N/A	3.8
Mixed Use Building at 1518 Spring Street	Permits Issued	0.2	5	N/A	31
Mixed Use Building at 3318 Spring Street	Permits Applied	1.9	36	N/A	19.4
Mooselodge Apartments, Multifamily Housing at 2548 Spring St	Permits Applied	0.7	17	2	26.1

Table H - : ample Histor of pto nTo n entre pefic Plan ultifamil Projects

Multifamily Developments	Status	Size (Acres)	Units	Affordable Units	Density
Oak Park 3, Affordable Multifamily Housing	Existing	4.1	76	75	18.6
Oak Park 4, Affordable Multifamily Housing	Permits Issued	3.1	75	75	24.2
Paso Market Walk, Mixed Use Building at 1803 Spring St	Permits Issued	0.4	6	N/A	14.8
Spring Street Village Phase 2, Need Address	Entitled	2.3	74	19	32.2
Triplex at 1442 Pine St	Existing	0.1	3	N/A	20.1
Webb Apartments, Multifamily Housing at 3548 Oak St	Existing	0.5	10	N/A	22.2
<b>Median Actual Density</b>					21.2

The vacant sites identified to meet the lower-income RHNA (Table H6-7) are located within the Uptown/Town Centre Specific Plan (RSC, TC-2, T-4N, and T-4NC zones). These zones allow for building types that yield higher densities, up to three stories in height.

The general plan designations within the Uptown/Town Centre Specific Plan area vary. Sites included in the inventory are generally located within the Community Commercial (CC), Community Services (CS), and Neighborhood Commercial (NC) zones. These zones allow a variety of commercial uses as well as residential uses. No density limit is included in the General Plan for these designations.

Table H - : acant ites to eet t e o er-Income H A

General Vacant Affordable Site Number	APN	Size (Acres)	Zone	Realistic Capacity (units)
V1	008-021-015, 008-021-014, 008-021-016	1.2	RSC/CS	24
V2	008-163-006, 008-163-007, 008-163-003	0.9	TC-2/CC	18
V3	009-291-021, 009-291-019, 009-291-015, 009-291-013, 009-291-012, 009-291-014, 009-291-025, 009-291-024, 009-291-023	5.7	TC-2/CC	120
V4	008-328-007	0.6	RSC/CS	13
V5	009-152-008	0.9	TC-2/CC	18
V6	008-225-011	0.6	TC-2/CC	13

Table H - : acant ites to eet t e o er-Income H A

General Vacant Affordable Site Number	APN	Size (Acres)	Zone	Realistic Capacity (units)
V7	008-051-031	2.6	RSC/CS	55
V8	008-041-042	0.26	T-4NC/NC	5
<b>Total Acres:</b>		12.76	<b>Total Units:</b> 266	

**Vacant Sites to Meet Moderate-Income RHNA**

All except one vacant site identified to meet the moderate-income RHNA are located within the T3-N or T3-F zones of the Uptown/Town Centre Specific Plan. The vacant sites within the T3-N and T3-F zones use a realistic capacity of three units, as these zones do not allow residential building types larger than a triplex. The realistic capacity for the one vacant site outside of the Uptown/Town Centre Specific Plan (Site M1 in Table H6-8) uses a density calculation of eight units per acre. This particular lot is zoned R-3; however, it was recategorized by the 1991 and 2003 General Plan as RMF-8; the Zoning Ordinance specifically states that the densities for the R-2 zone shall apply. Program 16 is included in the Housing Plan to consider revisions to the Development Plan, zoning, and General Plan to facilitate a path toward housing development for this site.

Table H -8: acant ites to eet t e oderate-Income H A

Vacant Moderate Site Number	APN	Size (Acres)	Current Zone/GP	Realistic Capacity (units)
M1	009-751-063	2.3	R-3/RMF-8	18
M2	008-283-012	0.5	T-3F/MU-8	3
M3	008-391-008	0.4	T-3N/RMF-8	3
<b>Total Acres:</b>		3.2	<b>Total Units:</b> 24	

**Adequacy of Sites Toward the RHNA**

The City’s site inventory has identified capacity for 1,670 units, 489 of which are on sites suitable for development of lower-income housing. Additional development potential exists on higher-density sites, particularly within the Uptown/Town Centre Specific Plan. Overall, the City has the ability to adequately accommodate the remaining RHNA (after credits for projects developed) of 383 units. Table H6-9 summarizes the sites inventory compared to the RHNA.

Table H - : ites Inventor ummar

Sites	Ex./Very Low Income (0-50% AMI)*	Low Income (51-80% AMI)	Moderate Income (80-120% AMI)	Above Moderate Income (121+% AMI)	Total
Proposed Development Site	0	20	196	736	952
Accessory Dwelling Units <sup>1</sup>	0	203	202	0	405
Vacant Sites <sup>2</sup>	266	0	24	0	313
<i>Total Sites</i>	266	223	422	736	1,670
Remaining RHNA after Credits Applied	249	134	0	0	383
Remaining RHNA after Sites Applied	-17	-89	-422	-736	-1,287

1. Affordability for ADUs is divided evenly between the low- and moderate-income categories. Based on a countywide study, accessory dwelling units can provide a more affordable option for lower income households without the units being subsidized. In September 2019, accessory dwelling units were listed for rents between \$850 and \$1,450 per month. Based on the affordability thresholds indicated in Table H4-14 in the Needs Assessment, smaller ADUs can be assumed to be affordable to lower-income households while larger ones may be affordable to moderate-income households.

2. The capacity of sites that allow development densities of at least 20 units per acre are credited toward the lower-income RHNA based on state law.

**Mixed Use Overlay**

Through the Housing Element update community engagement process, including a community workshop and multiple meetings with the HCOC, community members identified multiple locations that did not currently allow housing, but where housing could be considered. The HCOC recommended screening criteria be applied to correlate with siting criteria established by the California Tax Credit Allocation Committee (TCAC) for low-income housing tax credit projects. These criteria were applied, and two sites were identified for a potential mixed-use overlay. These sites currently are vacant underutilized commercial sites within existing shopping centers. These sites are not intended to meet the RHNA, but can support the sites inventory in the future if no-net-loss findings must be made.

The mixed-use overlay zone allows the underlying base zone regulations to remain in place while adding overlay zone regulations to permit residential development. The City’s existing mixed-use overlay regulations have a maximum density of 20 units per acre. The HCOC recommended increasing the density limit to 30 units per acre to allow additional flexibility. This zoning text amendment will be pursued in conjunction with the Housing Element update (see Housing Plan Program 6).


At the Woodland Plaza II shopping center (zoned Regional Commercial [RC]), two vacant parcels have received substantial development interest. One is next to the JC Penny store, located on the interior and to the rear of the shopping center. The other is located with access from Niblick Road; the City has received pre-application plans for this parcel. The City plans to apply the Mixed-Use overlay to these vacant parcels in conjunction with this Housing Element update to streamline potential development at this site. With the recent closing of the JC Penney storefront, additional opportunities are available at the Woodland Plaza for application of the Mixed-Use overlay and additional housing in the future.

The Williams Center is located across Rolling Hills Road from another Housing Element site and includes a grocery store, pharmacy, fitness center, restaurants, services, and additional retail. One vacant parcel is located at the Creston Road/Rolling Hills intersection; the other is located to the rear of the shopping center near existing residential. The City has not received development interest for this site but has identified it for the potential to support additional housing. These two vacant parcels are identified as

potential future locations to apply the Mixed-Use overlay. Realistic capacity indicated in Table H6-10 is based on proposed development plans received from developers.

Table H -10: Potential Sites to be One Unit Mixed Use Overlay

Site Number	APN	Acres	Current Zone/GP	Realistic Capacity (units)
MU1	009-814-044	2.05	RC/RC	20
MU2	009-814-052	4.31	RC/RC	70
			<b>Total</b>	<b>90</b>



### 3.3 Site Infrastructure and Services

The City has sufficient water and sewer capacity to serve a build-out population of 44,000, which is accommodated by the existing Land Use Element (as adopted in 2003 and amended through 2020). Full urban-level services are available to each site in the inventory. Such services are more than adequate for the potential unit yield on each site. Specifically, water and sewer service are available or are programmed to be made available for all the sites included in the inventory.

#### Water and Sewer Infrastructure

Water services are provided by the City of Paso Robles. Following the adoption of the 2003 General Plan Update, the City updated its Water and Sewer Master Plans. As noted in the 2010 Urban Water Management Plan, with the City’s decision to participate in the (Lake) Nacimiento Water Project (which began in 1992), it will have adequate capacity to serve all properties within its current boundaries at densities/intensities consistent with current land use designations. Water and sewer service will need to be extended into the specific plan areas (including Olsen South Chandler Ranch and Beechwood) as properties in those areas are subdivided following adoption of the specific plans. New development will be required to fund its fair share of water and sewer infrastructure as part of development impact fees or community facilities districts, as applicable. For capacity in specific plan areas, adopted specific plans address infrastructure provision.

As indicated in the 2015 Urban Water Management Plan, the City anticipates an increase in population of 5,400 persons by 2030. The City has planned for this increase in demand and has identified supply sources to meet the demand. In addition to expanded supply from river wells, the City is actively pursuing the use of recycled water to further offset potable water usage. As mandated by SB 1087 (statutes of 2005), the City has adopted Resolution 09-034, which grants priority for water and sewer connections to housing reserved for lower-income household in the unforeseen event that capacity for either utility becomes limited.

## **Dry Utilities**

All sites in the land use inventory lie within developed areas and have access to full dry utilities, or are part of a Specific Plan that require installation of dry utilities as part of project development. PG&E is responsible for providing electric power supply to Paso Robles and does so via a 70-kilovolt electrical transmission line that extends north-south from San Luis Obispo through Paso Robles and beyond. Natural gas is provided by the Southern California Gas Company. Several natural gas transmission pipelines are located in San Luis Obispo County, one of which extends to Paso Robles along the U.S. 101 corridor. Natural gas is generally available throughout Paso Robles through a local distribution system. Additional dry utilities include various telecommunications providers and cable providers and solid waste collection. Paso Robles Waste Disposal provides solid waste collection service to the City, and Pacific Waste Services operates the City-owned landfill.

The Beechwood Specific Plan area is currently undeveloped; electric power, natural gas, and telecommunications do not currently exist on these sites. However, as part of Specific Plan development, these utilities will be provided through the extension of existing facilities. The closest electricity transmission line runs along Beechwood Drive, adjacent to the western boundary of the Beechwood Specific Plan Area. Maintenance responsibilities for the public and private infrastructure improvements required for the project are articulated in the Specific Plan.

The Beechwood Specific Plan site is in area code 805, within AT&T's carrier of last resort territory. A carrier of last resort is a telecommunications company that commits, or is required by law, to provide service to any customer in a service area that requests it, even if serving that customer would not be economically viable at prevailing rates.

**Table H6-11: Sites Inventory Table**

Site #	APN	Size (ac.)	GP, Zone	Max. Density (du/ac)	Existing Use	Realistic Capacity (units)	Affordability Level	Infrastructure Capacity?	On-site Constraints?
Beechwood Specific Plan	009-863-005	23.7	R1, RSF-3	3	vacant	952	Low/Moderate/ Above Moderate	Yes	No
	009-863-013	38.6	R1, NC-±10 ac	3	mobile home and agriculture		Low/Moderate/ Above Moderate	Yes	No
	009-863-012	38.2	R1, RSF-3	3	vacant		Low/Moderate/ Above Moderate	Yes	No
	009-863-006	2.1	R1, RSF-3	3	single family		Low/Moderate/ Above Moderate	Yes	No
	009-863-011	14.9	R1, RSF-3	3	vacant		Low/Moderate/ Above Moderate	Yes	No
	009-863-009	10.3	R1, RSF-3	3	mobile home		Low/Moderate/ Above Moderate	Yes	No
	009-863-010	9.9	R1, RSF-3	3	vacant		Low/Moderate/ Above Moderate	Yes	No
	009-863-003	19.6	R1, RSF-3	3	vacant		Low/Moderate/ Above Moderate	Yes	No
	009-863-004	20.1	R5, RMF-20	20	vacant		Moderate	Yes	No
	009-863-008	9.5	R1, RSF-3	3	single family unit		Low/Moderate/ Above Moderate	Yes	No
	009-863-007	9.1	R1, RSF-3	3	single family unit		Low/Moderate/ Above Moderate	Yes	No
	009-863-001	20.3	R1, RSF-3	3	vacant		Low/Moderate/ Above Moderate	Yes	No
	009-863-002	19.7	R1, RSF-3	3	vacant		Low/Moderate/ Above Moderate	Yes	No
	V1	008-021-015, 008-021-014, 008-021-016	1.2	RSC/CS	30		vacant	24	Very Low/Low
V2	008-163-006, 008-163-007, 008-163-003	0.9	TC-2/CC	30	vacant	18	Very Low/Low	Yes	No

**Table H6-11: Sites Inventory Table**

Site #	APN	Size (ac.)	GP, Zone	Max. Density (du/ac)	Existing Use	Realistic Capacity (units)	Affordability Level	Infrastructure Capacity?	On-site Constraints?
V3	009-291-021, 009-291-019, 009-291-015, 009-291-013, 009-291-012, 009-291-014, 009-291-025, 009-291-024, 009-291-023	5.7	TC-2/CC	30	vacant	120	Very Low/Low	Yes	No
V4	008-328-007	0.6	RSC/CS	30	vacant	13	Very Low/Low	Yes	No
V5	009-152-008	0.9	TC-2/CC	30	vacant	18	Very Low/Low	Yes	No
V6	008-225-011	0.6	TC-2/CC	30	vacant	13	Very Low/Low	Yes	No
V7	008-051-031	2.6	RSC/CS	30	vacant	55	Very Low/Low	Yes	No
V8	008-041-042	0.26	T-4NC/NC	30	vacant	5	Very Low/Low	Yes	No
M1	009-751-063	2.3	R-3/RMF-8	8	vacant	18	Moderate	Yes	No
M2	008-283-012	0.5	T-3F/MU-8	20	vacant	3	Moderate	Yes	No
M3	008-391-008	0.4	T-3N/RMF-8	12	vacant	3	Moderate	Yes	No



## Financial Resources

In light of the elimination of redevelopment agencies in the State of California, the City has limited access to funding sources for affordable housing activities.

### Deferment of Fees and Low-Interest Loans

With the termination of the Redevelopment Agency, the City approved low-interest loans of general funds in the amounts of \$1.018 million and \$889,000 to the Paso Robles Housing Authority to defer payment of City fees for phases one and two of redevelopment of Oak Park Public Housing. For phases three and four, the City provided low-interest loans of general funds in the amounts of \$999,423 (2017) and \$1,438,461 (2018) to the Paso Robles Housing Authority, respectively.

### HUD, HOME, and Emergency Shelter Grant Funds

The City participates in HUD federal funding programs through the Urban County of San Luis Obispo. The County of San Luis Obispo is the lead agency in administering HUD funding programs for the County and the six participating cities of San Luis Obispo, Paso Robles, Atascadero, Morro Bay, Arroyo Grande, and Pismo Beach. Administration of the CDBG program is divided among the County and the six participating cities, with the County being the lead agency. Administration of the HOME Investment Partnership (HOME) and the Emergency Solutions Grant (ESG) programs is handled by the County of San Luis Obispo. In 2018, the Urban County used \$1.9 million in CDBG funds, \$1 million in HOME funds, and \$148,000 in ESG funds for projects and services that address unmet community needs by providing gap financing for vital services and facilities.

### Housing Choice Vouchers

Federal Housing Choice Vouchers (formerly Section 8) for rental assistance is available through the Housing Authority for the City of San Luis Obispo (HASLO). HASLO's Housing Choice Voucher (HCV) program administers 2,469 vouchers, including 225 veterans vouchers, 38 Family Unification Vouchers (FUP), and 60 Mainstream vouchers, in San Luis Obispo County. As of June 2020, 386 vouchers were allocated to households in Paso Robles.

### Agricultural Development Loans and Projects

The U.S. Department of Agriculture (USDA) administers long-term subsidized loans for low- and moderate-income home buyers through its Section 502 loans. USDA also supports financing for multifamily housing developments in rural areas, such as Paso Robles. USDA funded projects in the community include Canyon Creek Apartments, Creston Garden Apartments, Oak Park Apartments, Paso Robles Gardens, and Riverview Apartments.

### Housing Trust Fund

Another source of local housing funding is through the San Luis Obispo County Housing Trust Fund (SLOCHTF), which is a private nonprofit corporation created to increase the supply of affordable housing in San Luis Obispo County for very low-, low-, and moderate-income households. SLOCHTF provides financing and technical assistance to help private developers, nonprofit corporations, and government agencies produce and preserve homes that working families, seniors on fixed incomes and persons with disabilities

can afford to rent or buy. Since incorporating in 2003, SLOCHTF has loaned nearly \$25 million to assist over 1,000 units of affordable housing. The loans have also assisted over 200 beds for those in need of shelter and care.

## Administrative Resources

Agencies with administrative capacity to implement programs contained in the Housing Element include the City of Paso Robles and local and regional non-profit private developers.

1. The City of Paso Robles Community Development Department, Planning Division takes the lead in implementing Housing Element programs and policies. The Division is responsible for implementing the General Plan by ensuring that development projects are consistent with the General Plan and Zoning Ordinance. The City also works closely with non-profit developers to expand affordable housing opportunities in Paso Robles.
2. The Community Action Partnership San Luis Obispo (CAPSLO) provides a wide variety of social services in San Luis Obispo County. CAPSLO operates the Maxine Lewis Memorial Homeless Shelter and the Prado Day Center in San Luis Obispo. They also operate Head Start and Migrant Head Start programs and two health centers in San Luis Obispo and Arroyo Grande. The Energy Conservation division provides weatherization and home repairs throughout the County.
3. El Camino Homeless Organization (ECHO) is a non-profit organization serving the homeless population of Northern San Luis Obispo County. The organization also assists those in need with obtaining permanent housing and developing skills necessary to lead a more stable life. ECHO operates a permanent shelter in neighboring Atascadero.
4. Habitat for Humanity is an international non-profit organization dedicated to partnering with those in need of safe and affordable homes. The San Luis Obispo County Habitat chapter has been active since 1997 and is involved in several development projects throughout the Central Coast. Habitat for Humanity for San Luis Obispo County has built 17 homes: three in Paso Robles, four in Atascadero, one in Cambria, four in Grover Beach, and five in San Luis Obispo.
5. HASLO was created to provide housing assistance for the County's lower-income residents. The Housing Authority administers the Housing Choice Voucher (formerly Section 8) rental assistance program and manages public housing developments. The Housing Authority also administers the Tenant Based Rental Assistance (TBRA) Program for the San Luis Obispo Supportive Housing Consortium and established the San Luis Obispo Non-Profit Housing Corporation to take advantage of federal tax credits.
6. People's Self-Help Housing (PSHH) is a diverse, nonprofit organization committed to furthering opportunities for decent, safe, affordable housing and support services in San Luis Obispo, Santa Barbara, and Ventura Counties. PSHH has two primary programs: Self Help Homeownership Program and a Rental Housing Development and Construction Services Program. Additionally, PSHH administers the Supportive Housing Program, assisting residents with accessing community services and provides home ownership counseling.
7. Transitional Food and Shelter (TFS) is a charitable organization that operates the Medically Fragile Homeless program, a countywide service, based in Atascadero. TFS also runs the Atascadero

Warming Center, which serves those living in Atascadero and surrounding areas. The Medically Fragile Homeless program (MFH) provides small, individual housing, supportive services and case management for the medically fragile homeless in San Luis Obispo County since 2001. The Atascadero Warming Center (AWC) is open November 1st through April 15th when the temperature is forecast to be 40 degrees or less and/or there is a 50 percent chance or greater of rain. The low barrier, behaviorally based center provides meals, clothing and other services through a volunteer effort.

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## 7.0 2014-2019 Housing Element Program Accomplishments

This chapter analyzes program performance from the 2014-2019 Housing Element programs. State law (California Government Code Section 65588[a]) requires each jurisdiction to review its Housing Element as frequently as appropriate and evaluate:

1. The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal
2. The effectiveness of the Housing Element in attainment of the community’s housing goals and objectives
3. Progress in implementation of the Housing Element

This evaluation provides valuable information on the extent to which programs have achieved stated objectives and whether these programs continue to be relevant to addressing current and future housing needs in Paso Robles. The evaluation provides the basis for recommended modifications to policies and programs and the establishment of new housing objectives. Following the evaluation table, the quantified objective performance is summarized.

Table H7-1 summarizes the quantified objectives contained for the 2014-2019 Housing Element and compares the City’s progress toward fulfilling these objectives. As part of the 2014-2019 Housing Element, the City established a set of quantified objectives for housing construction, rehabilitation, and preservation. The City made significant progress towards its construction goals, including construction of lower income units. The City’s goal of conserving 178 units in four housing developments that were in risk of converting to market rate housing was also met as the four developments remain affordable. The City’s rehabilitation goals were also significantly surpassed due to work by non-profit organizations.

Table H7-1: Summary of 2014-2019 Quantified Objectives and Progress

Objectives	Income Levels				Total
	Extremely/Very Low	Low	Moderate	Above Moderate	
<b>Construction Objectives</b>					
Goal	105	121	241	180	647
Progress	211 (201%)	88 (73%)	226 (94%)	202 (112%)	727 (112%)
<b>Rehabilitation Objectives</b>					
Goal	0	0	5	6	11
Progress	33 (NA)	71 (NA)	0	0	104 (945%)
<b>Conservation Objectives</b>					
Goal	89	89	0	0	178
Progress	89 (100%)	89 (100%)	0	0	178 (100%)

Important points to note include:

1. The construction objective represents the expected numbers of dwelling units to be constructed between January 1, 2014 and June 30, 2019.
2. The rehabilitation objective represents the expected numbers of dwelling units to be “substantially” rehabilitated under free market conditions between January 1, 2014 and June 30, 2019. The progress represents rehabilitated six units in the Sierra Bonita Subdivision (Habitat for Humanity), 60 units at Creston Garden Apartments, and 38 units at Los Robles Terrace (both by People’s Self Help Housing).
3. The conservation objectives represent the expected numbers of dwelling units to be conserved between January 1, 2014 and June 30, 2019.



*Oak Park (Phase 3) completed construction in 2019*

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
1	Evaluate all proposed amendments to the General Plan and zoning maps for their effect on the City’s capacity for meeting its Regional Housing Needs Allocation (RHNA).	<p>Two General Plan/Zoning Amendments were adopted (2016 and 2018) that added a total of 274 residential units. The 2016 GPA included River Oaks II Master Plan for 271 new single-family units. The 2018 Zoning Map Amendment added a Mixed Use Overlay to 2328 Golden Hill Road to allow three new studio units at the existing mini-storage site.</p> <p>The City is committed to ensuring that land use changes do not negatively affect the City’s ability to meet the RHNA. This program is ongoing and will remain in the Housing Element as part of a larger adequate sites program.</p>
2	Continue to participate in the countywide Ten-Year Plan to End Homelessness.	<p>The City continues to participate in countywide efforts to address homelessness. In addition to addressing emergency shelter zoning (Ordinance 976 N.S.), the City has also supported the ECHO homeless shelter in Atascadero with allocations of CDBG funds for operation. Efforts to participate in the Homeless Emergency Aid Program (HEAP) began in 2018 with action from City Council to begin developing plans. Project approvals occurred in 2020.</p> <p>Regional coordination is an important component of any strategy to address homelessness. This program will be modified with updated action items and will remain in the Housing Element.</p>
3	Maintain a Comprehensive Housing Program with sufficient resources available to administer the various Housing Element programs, CDBG Program, and other sources of housing funds.	Maintaining resources to administer housing programs is a routine function for the City. As such, this program is not necessary. In its place, a funding source is added to every program in the Housing Element as required by State Housing Element law.
4	Evaluate all proposed amendments to the General Plan and Zoning for their effect on the City’s policy of integrating diverse housing opportunities in each neighborhood or planning area.	<p>2016 General Plan and Zoning Amendments included River Oaks II Master Plan for 271 new single-family units.</p> <p>Evaluating the distribution of housing opportunities is an important part of the City’s effort to affirmatively further fair housing. This program will remain in the Housing Element as part of a larger fair housing program.</p>

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
5	Require new specific plans for undeveloped areas (Chandler Ranch, Olsen Ranch, Beechwood Area, and any to follow) to provide a balance of housing types and densities for all income groups.	<p>2016 General Plan and Zoning Amendments included River Oaks II Master Plan for 271 new single-family units.</p> <p>Although evaluating the distribution of new housing opportunities is an important part of the City’s approach to maintaining adequate sites, these specific plans are either already approved or are in process. This program is implemented and will be removed from the Housing Element.</p>
6	Encourage provision of affordable housing in the vicinity of the Cuesta College through the designation of multi-family sites near the campus.	<p>On June 4, 2013, the City Council approved a development plan for 142 Blue Oaks apartment units on the south side of Experimental Station Road, west of Buena Vista Drive. A portion of the project is complete, with additional units still under construction.</p> <p>Encouraging development of housing affordable to the Paso Robles community is a central goal for this Housing Element and for the City. This program will remain in the Housing Element as part of a larger affordable housing program.</p>



Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
7	<p>For those housing units and/or projects for lower-income households that are assisted with General Funds for the purpose of offsetting development impact fees, allow for deferral of payment of fees several years beyond occupancy.</p>	<p>Fee deferrals have been provided to various projects:</p> <ul style="list-style-type: none"> <li>• Hidden Creek Village, which was completed in September 2011.</li> <li>• On December 4, 2012, the City Council approved a deferral of City fees for Phase One of the Redevelopment of Oak Park Public Housing with a loan of up to \$1.018 million in General Funds.</li> <li>• On February 18, 2014, the City Council approved a deferral of City fees for Phase Two of the Redevelopment of Oak Park Public Housing with a loan of up to \$889,000 from the general fund.</li> <li>• On February 16, 2017, the City Council approved a fee deferral of City fees for Phase Three of the Redevelopment of Oak Park Public Housing with a loan of up to \$999,423 in general funds.</li> <li>• On February 20, 2018, a fee deferral request for approximately \$1.4 million was approved for Phase Four of the Redevelopment of Oak Park Public Housing.</li> </ul> <p>Fee deferrals will continue to be one of the many tools the City will use to support the development of affordable housing. This program will remain in the Housing Element as part of a larger affordable housing program.</p> <p>The City has established a fee system structure that is based entirely on staff hours worked (with a new permit system, Accela Civic Platform, which allows for staff time tracking) and endeavors to provide a partial refund for any unused funds. Approximately 50 percent of projects receive a fee refund.</p>

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
8	<ul style="list-style-type: none"> <li>• Work with developers to increase the supply of new housing for all income groups and special needs throughout the City.</li> <li>• The City will continue to work with the Paso Robles Housing Authority to provide financial and technical assistance to complete all phases of the redevelopment of Oak Park Public Housing.</li> <li>• The City will consider options for providing financial assistance to Habitat for Humanity for its proposed project at 2811 Vine Street.</li> </ul>	<p>Staff has continued to work with the Paso Robles Housing Authority to assist in the redevelopment of Oak Park Public Housing and with Habitat for Humanity to facilitate permit processing and financial assistance for their projects:</p> <ul style="list-style-type: none"> <li>• Staff time was spent in 2019 to work with property owners and prospective developers in specific plan areas to have these plans and their required environmental studies prepared. The Olsen South-Chandler Ranch Specific Plans was adopted, and the Beechwood Specific Plan is being reviewed by the public in summer 2020.</li> <li>• In 2017, staff worked on processing building plans and preparing loan documents for the fee deferral for Oak Park. In 2018, a fee deferral request for approximately \$1.4 million was approved for Phase Four of the Redevelopment of Oak Park Public Housing. In 2019, staff worked on processing building plans for Oak Park Phase Four.</li> <li>• On August 26, 2014, the Planning Commission approved a revised development plan and subdivision map to authorize 9 single family homes on the 2811 Vine Street site (Habitat for Humanity project). In 2016, the City Council approved a waiver of the building plan check and permitting fees, and development impact fees that would otherwise be charged, since this project would be for low and very low-income homebuyers. They have submitted building permits for three lots and are in plan check. Staff has prepared three time extensions to assist this project.</li> </ul> <p>Increasing the supply of new housing for all income groups and special needs throughout the City is a central goal for this Housing Element. A modified version of this program, with updated details and objectives, will remain in the Housing Element.</p>

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
9	Adopt an ordinance to amend the Zoning Code to accomplish the following: <ul style="list-style-type: none"> <li>a. Implement SB 745 (Statutes of 2013) to amend the Zoning Code’s definitions for “Supportive Housing” and “Transitional Housing” and add a definition for “Target Population” to implement this bill.</li> <li>b. Amend Table 21.16.200’s description of Second Units (Item B.4.a) to remove the reference to “related senior citizens” as State Law requires that second units be open to any occupants, regardless of age or family relationship.</li> <li>c. Amend Subsection C.3 of Section 21.21.160 (Emergency Shelters) to provide that the City may require a separation of any emergency shelter from any other emergency shelter provided that such separation shall not be required to be more than 300 feet (as provided in Government Code Section 65583).</li> </ul>	9a. For the Uptown/Town Centre Specific Plan, this was completed with adoption of Ordinance 1008 N.S. on October 21, 2014. For the remainder of the City, this was completed with the adoption of Ordinance 1013 N.S. on December 2, 2014. 9b. Amendment completed. 9c. Amendment completed.  This program has been implemented and is removed from the Housing Element.
10	Concurrent with consideration of approval of specific plans for the Beechwood Area and Olsen Ranch, amend the Land Use Element Map to allow for reduction in numbers of low-income units at 20 units/acre in both specific plan areas.	Staff time was spent in 2019 to work with property owners and prospective developers in specific plan areas to have these plans and their appurtenant environmental studies prepared. The Olsen-South Chandler Ranch Specific Plan was adopted in 2020. The Beechwood Specific Plan is being reviewed by the public in summer 2020. The modification of unit distribution did not affect the City’s adequate sites strategy.  These specific plans are either already approved or in the review process. This program is implemented and will be removed from the Housing Element.
11	Encourage developers of single-family dwellings to incorporate “Universal Design” and/or “visitability” improvements to the greatest extent feasible. Include policy statements to this effect in the Chandler Ranch, Olsen Ranch, and Beechwood Area Specific Plans. Provide technical assistance to developers in this area.	The specific plans mentioned in the program are either already approved or in process as of 2020 (before the Housing Element planning period starts). Nonetheless, the program objective to incorporate “Universal Design” and/or “visitability” improvements to the greatest extent feasible is still appropriate. This program is implemented and will be updated and merged with a program addressing special needs housing.

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
12	Work with the Tri-Counties Regional Center to implement an outreach program that informs families within the City of housing and services available for persons with developmental disabilities.	The City continues coordinating and supporting the work of the Tri-Counties Regional Center. This program will remain in the Housing Element.
13	As part of the General Plan Annual Report, evaluate the need/urgency to amend the Zoning Code to incorporate regulations for the conversion of rental housing (apartments) to condominiums in order to maintain residential stability, prevent a decline in the supply of rental housing, and to require that affected tenants receive right of first refusal to purchase and/or relocation assistance.	City staff has found no evidence that any demand exists to convert apartments to condominiums in Paso Robles. This program has been implemented and is removed from the Housing Element.
14	<p>Provide technical assistance to owners and non-profit housing corporation buyers of existing subsidized low-income housing complexes that are at risk of conversion to market rate to extend subsidy contracts and/or find government financing (e.g., HOME funds) for acquisition and rehabilitation, including the following:</p> <ul style="list-style-type: none"> <li>• Monitor complexes that are at risk of conversion to market rate.</li> <li>• Work with Potential Purchasers - Establish contact with public and non-profit agencies interested in purchasing and/or managing units at-risk to inform them of the status of such projects. Where feasible, provide technical assistance and support to these organizations with respect to financing.</li> <li>• Tenant Education – In the event that conversion of a subsidized complex to market rate becomes likely, the City will work with tenants of at-risk units and provide them with education regarding tenant rights and conversion procedures. The City will also provide tenants in at-risk projects information regarding Section 8 rent subsidies through the Housing Authority, and other affordable housing opportunities in the City.</li> </ul>	Peoples’ Self-Help Housing Corp. obtained Federal Tax Credits to purchase and rehabilitate Creston Gardens (60 apartment units) to continue operating it as low-income housing. In addition, a parking waiver approved for Hacienda del Norte rehabilitation project. Conservation of at-risk housing remains a priority for the City; thus, this program will remain in the Housing Element.

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
15	Amend the Zoning Code to establish minimum densities for multifamily zoned properties	The City evaluated the establishment of minimum densities and found that they are not necessary, as projects proposed in Paso Robles target the maximum densities. Instead, the City has focused on lowering development fees to encourage development of multifamily units. This program is removed from the Housing Element.
16	Enforce the City’s zoning, property maintenance, building, fire, parking, and nuisance abatement codes.	Enforcement is carried out by the Police and Emergency Services Departments on a complaint basis. Maintenance and enforcement of City codes is an ongoing City objective; therefore, this program is removed from the Housing Element.
17	Actively implement the vision for development and redevelopment of the West Side per the Uptown/Town Centre Specific Plan, including seeking grants for infrastructure; preparing an appendix to expand the list of acceptable architectural styles; providing technical assistance to developers in understanding and applying the new development standards; and regular monitoring and updating the plan as necessary to ensure that the development standards are effective in promoting affordable housing.	Implementation of the Uptown/Town Centre Specific Plan is ongoing. 21st Street has been improved as a “green” street. Uptown Park is complete, and the City completed construction to improve 12th Street (as a modified “green” street).  Ongoing implementation of the Uptown/Town Centre Specific Plan area will ensure that adequate housing development opportunities are available to address the City’s identified need. Therefore, this program will remain in the Housing Element.
18	Continue to provide financial assistance to the redevelopment of Oak Park Public Housing, particularly Phase Two (build 70 new units of which 23 will replace deteriorating existing units). The City may use General Funds for this purpose if no other funds are available. Additionally, the City should continue to fully support applications for Federal HOME funds for this project. As part of this effort, the City will also give top priority for the housing for extremely low-income households.	The City has financially supported redevelopment of the Oak Park Public Housing development for multiple years. On February 18, 2014, the City Council approved a deferral of City fees for Phase Two of the Redevelopment of Oak Park Public Housing with a loan of up to \$889,000 in general funds. In July 2014, federal tax credits were awarded for Phase Two. On February 16, 2017, the City Council approved a fee deferral of City fees for Phase Three of the Redevelopment of Oak Park Public Housing with a loan of up to \$999,423 in general funds. Construction of Phase Two and Phase Three is complete. In 2018, a fee deferral request for approximately \$1.4 million was approved for Phase Four of the Redevelopment of Oak Park Public Housing. In 2020, the final phase (Phase Four) of the Oak Park Public Housing redevelopment project was under construction. This program has been implemented and is removed from the Housing Element and will be replaced by a program indicating ongoing support for the Paso Robles Housing Authority in implementing housing programs and expanding affordable housing resources.

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
19	Work with non-profit organizations to obtain financial assistance to rehabilitating dwellings owned or rented by lower-income households.	Habitat for Humanity completed 11 home upgrades in 2019, with improvements such as furnace cleaning, new air conditioners, electrical work, and other similar improvements. Supporting organizations that provide housing rehabilitation assistance is an important objective and therefore this program will remain in the Housing Element.
20	Prepare a report that reviews zoning regulations, standard conditions, and permit processing procedures to identify any provisions which unnecessarily increase the cost of housing. Present this report in conjunction with the Annual Review of the General Plan.	The City formed the Housing Constraints and Opportunities Committee (HCOC) in 2016 to investigate potential provisions that unnecessarily increase the cost of housing as a barrier to development. The HCOC has met 21 times, including four meetings in 2020 to discuss the Housing Element update. A review of existing zoning regulations, standard conditions, and permit processing procedures occurred as part of the 6 <sup>th</sup> cycle Housing Element update; as such, this program is no longer needed and is removed from the Housing Element. In its place will be programs that address the identified constraints to the development of housing.
21	Refer residents involved in housing related civil disputes such as landlord/tenant disputes and housing discrimination complaints to the California Rural Legal Assistance (for legal matters) and to the State Department of Fair Employment and Housing (for discrimination).	The City maintains this information on its website. Additionally, staff provides responses to inquiries at the public counter, on the phone, and via email. Providing resources and information to address fair housing issues is an important goal for the City. This program will remain in the Housing Element as part of a larger fair housing program.
22	Provide information to the public on various state and federal housing programs and fair housing law. Maintain referral information on the City's web site.	The City maintains such information on its website. Providing resources and information to address fair housing issues is an important goal for the City. This program will remain in the Housing Element as part of a larger fair housing program.
23	Require new specific plans for undeveloped areas (Chandler Ranch, Olsen Ranch, Beech-wood Area, etc.) to incorporate land use and circulation patterns that use compact urban forms that foster connectivity, walkability, and alternative transportation modes, design principles used in the Uptown/Town Centre Specific Plan, and other energy-saving and environmental quality protection measures, as appropriate to the topography, vegetation, and location in each specific plan area.	<p>Specific Plan implementation is ongoing. Staff time was spent in 2019 to work with property owners and prospective developers in specific plan areas to have these plans and their required environmental studies prepared. The Olsen-South Chandler Ranch Specific Plan was adopted by City Council. The Beechwood Specific Plan is currently active.</p> <p>These specific plans are either already approved or under public review before the Housing Element planning period starts. This program is implemented and will be removed from the Housing Element.</p>

Table H7-2: Review of Past Accomplishments

Program #	Summary Description	Progress and Continued Appropriateness
24	Continue development of the Resource Management Plan initiated in Resolution 08-061 to implement Economic Strategy policies to foster multi-modal transportation systems, reduce greenhouse gas emissions, and develop Low Impact Development standards, water conservation, vegetation and habitat conservation measures.	Implementation of environmental conservation plans and policies is ongoing. In 2013, the City adopted a Climate Action Plan and invested substantial staff time in low impact development regulations. In 2014, the City adopted post construction stormwater control standards to foster low impact development measures. Addressing environmental conservation is important to the City of Paso Robles; therefore, a modified and updated version of this program will be included in the Housing Element.

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Draft 2021-2028 Housing Element

# Appendix A

Public Outreach List  
Workshop Summaries

Organization/Name	Contact Information
Central Coast Commission for Senior Citizens	(805) 925-9554 seniors@KCBX.net
Community Action Partnership, San Luis Obispo (CAPSLO)	(805) 544-4355 CAPSLO hotline@capslo.org
Corporation for Better Housing	(818) 905-2430 maria@corpoffices.org
El Camino Homeless Organization (ECHO)	(805) 462-3663 wlewis@echoshelter.org
Habitat for Humanity	<a href="mailto:info@hfhsloco.org">info@hfhsloco.org</a> <a href="mailto:ceo@hfhsloco.org">ceo@hfhsloco.org</a> 805-782-0687
Housing Authority San Luis Obispo (HASLO)	(805) 543-4478 info@haslo.org nguzman@haslo.org
Homeless Services Oversight Council (HSOC) San Luis Obispo County	SS_HomelessServices@co.slo.ca.us
Housing Trust Fund, San Luis Obispo County	info@sloctf.org
Independent Living Resource Center	(805) 462-1162
Loaves and Fishes	(805) 238-4742
Local Agency Formation Commission (LAFCO)	DChurch@SLOLAFCO.com 805.781.5795
NCTC Northern Chumash Tribal Council, Fred Collins	fcollins@northernchumash.org
North County Connection, Susan Warren	(805) 462-8600 INFO@NCCSLO.ORG info@northcountyconnection.com
North County Women's Shelter	(805) 461-1338
Northern Chumash Tribe Mona Olivas Tucker, Chairwoman	olivas.mona@gmail.com
North San Luis Obispo County Association of Realtors	ncstaff@northcountyaor.org (805) 238-1244
Paso Robles Chamber of Commerce	(805) 238-0506 info@pasorobleschamber.com
Paso Robles Community Link	(805) 238-2775 <a href="http://www.linkslo.org/">http://www.linkslo.org/</a>
Paso Robles Housing Constraints and Opportunities Committee (HCOC): Amy Russell Bruce White Carlos Olveda David Cooke Greg Haas Joel Neel John Donaldson Kenneth Trigueiro	<a href="mailto:HousingCommittee@prcity.com">HousingCommittee@prcity.com</a>

Organization/Name	Contact Information
Larry Werner Steve Gregory Steve Martin Vince Vanderlip	
Paso Robles Joint Unified School District	(805) 769-1000
People’s Self Help Housing	(805) 781-3088 info@pshhc.org sherylf@pshhc.org morgenb@pshhc.org
Salinan Tribe of Monterey and San Luis Obispo Counties, Fredrick Segobia	info@salinantribe.com
Salvation Army	(805) 544-2401 Elaine.Mansoor@usw.salvationarmy.org
San Luis Obispo Council of Governments (SLOCOG), Sara Sanders	ssanders@slocog.com
San Luis Obispo County Air Pollution Control District (APCD)	(805) 781-5912 info@slocleanair.org
San Luis Obispo County Housing Trust Fund (SLOHTF)	(805) 543-5970 <a href="mailto:info@sloctf.org">info@sloctf.org</a> jerry@sloctf.org
San Luis Obispo County Planning and Building	(805) 781-5600 chanh@co.slo.ca.us asingewalg@co.slo.ca.us lhoffman@co.slo.ca.us
SLOCo Yimby, Krista Jeffries	slocoyimby@gmail.com
Southern California Gas Company (SoCalGas)	dceja@semprautilities.com
Torres Martinez Desert Cahuilla Indians	thomas.tortez@torresmartinez-nsn.gov
Transitional Food and Shelter	805-466-5404 jwilshusen@atascadero.org
Transitions Mental Health Association (THMA)	(805) 540-6500 info@t-mha.org
Tri-Counties Regional Center	(805) 461-7402 Tri-counties@tri-counties.org
Xolon Salinan Tribe, Karen White	xolon.salinan.heritage@gmail.com
<b>Developers/Realtors/Consultants/Brokers/Misc.</b>	
Adriana Mathis	amathis@gmail.com
Carl Wormood	slobuilderguy@gmail.com
Carmen Bouquin	carmenbouquin@gmail.com
Economic Vitality Corporation	info@sloevc.org (805) 788-2012
Erick Smith, Anchor Real Estate	Ericksmith88@yahoo.com
Estrella Associates	dick@estrellaassociates.com
Home Builder’s Association of the Central Coast	(805) 546-0418 LHatcher@hbacc.org
Jan Albin	jalbin@charter.net

Organization/Name	Contact Information
Jerry Escobar	jerry.escobar@gmail.com
John Kudla Engineering	<a href="mailto:john.jkengineering@gmail.com">john.jkengineering@gmail.com</a> <a href="mailto:j_kudla@hotmail.com">j_kudla@hotmail.com</a> jbdraft@gmail.com
Julie Matthews	Julie.matthews@managementtrust.com
Kayla Rutland	krutland@co.slo.ca.us
Kelly Maria	Maria.Kelly@justinwine.com
Ken Munde	prmcrlen@yahoo.com
Kim Onorato	konorato@glenair.com
Kirk Consulting	Jamie@kirk-consulting.net
Krista Jeffries	shetravelight@gmail.com
Larry Gabriel Architects	lg@gabriel-architects.com
Leigh Oliver	Leigh.oliver47@gmail.com
Linda Colwell	klcolwell@charter.net
Mandi Pickens	angle.planning@gmail.com
Midland Pacific Homes	jmoresco@gmail.com
North Coast Engineering	gregj@northcoastengineering.com
Peter Lopez	peter@remaxsr.com
PlaceWorks	asinsheimer@placeworks.com
Planning Solutions, Pam Jardini	planningsolutions@charter.net
Red Tail Acquisitions, LLC – TK Consulting, Inc.	<a href="mailto:TKihm@rtacq.com">TKihm@rtacq.com</a> KBerry@rtacq.com
Roberts Engineering, Tim Roberts	tim@robertsenginc.com
RRM	<a href="mailto:info@rrmdesign.com">info@rrmdesign.com</a> ngwalters@rrmdesign.com TJWalters@rrmdesign.com (805) 543-1794
Scott Stokes	scott@abovegradeengineering.com

# PASO ROBLES HOUSING ELEMENT

1-29-2020



PARCEL-BY-PARCEL DATABASE  
**POTENTIAL LOCATIONS**

**CHALLENGES**

- ▽ NEED FOR POINT PERSON TO ASSIST w/ LOW-MOD. UNITS + PRIORITY PROJS
- ▽ COSTS ↑ LAND CONST. BE CREATIVE!
- ▽ NOT ENOUGH AFFORDABLE OR MARKET RATE HOUSING
- ▽ TRAFFIC IS DISINCENTIVE TO BUYERS - EVERYWHERE!
- ▽ RIVER RD/NIBLICK = CONGESTED
- ▽ BRING AFFORDABILITY - ARE NEW UNITS REALLY AFFORDABLE?
- ▽ INCOME DISPARITIES eg. AG COMMUNITY
- ▽ INCOME RIGHTS FOR BUILDING
- ▽ OUT-OF-AREA BUYERS HARD TO COMPETE
- ▽ BELLER PROTECTION NEEDED
- ▽ NOT BEING ABLE TO ↑ RENT BUT DON'T WANT TO DISPLACE

**OPPORTUNITIES**

- ▽ CONNECTIONS TO WEST SIDE REDO MAIN ON AVAIL. UNITS
- ▽ COST OF PERMITS
- ▽ ENERGY RENTS + WATER NEEDS RAISES COSTS
- ▽ SHORTAGE OF LABOR - TRADES
- ▽ TIME FRAME FOR APPROVALS - LONG + COMPLICATED PROCESS FOR LARGE PROJS.
- ▽ SUBD + TRANSPORTATION
- ▽ LOT SPLITS CREATE ALLY CHALLENGES
- ▽ UTILITY LOGISTICS
- ▽ PUBLIC SAFETY + TRANSIT
- ▽ PROPS!
- ▽ NEED ADDITIONAL FINANCING (CAP) FOR AFFORDABLE
- ▽ MULTIFAM HSG.
- ▽ BELLER PROTECTIONS
- ▽ CONSIDER SMALLER UNITS TO BRING COSTS ↓
- ▽ TRAIN HS STUDENTS IN TRADES
- ▽ AB795 OPPS + ADUS
- ▽ DIRECTION ON ADUS CITY POLICY - CLEAR
- ▽ UNDERSTAND PARAMETERS: OF LOT SPLITS, FRONT + REAR
- ▽ ALLOW FOR MORE LOT SPLITS
- ▽ RETHINK ZONING CODE FOCUS ON UPDATE
- ▽ R2 - CLEAR DEFINITION FOR 2ND STORY
- ▽ DELAY FEES FOR DEVELOPERS LOCAL PREF FOR BUYERS, CONTRACTORS + WORKERS
- ▽ CITY RESERVES IN BANKS FOR HOUSING FINANCING
- ▽ FAST TRACK LOT SPLIT FOR AFFORDABLE HSG. (MULTIFAM ZONES)
- ▽ MANAGE SHORT TERM RENTALS
- ▽ ACHIEVE AFFORDABLE RENTALS
- ▽ PROP TAX PENEG OF PRO ACENTS - CHANGE SITE TAX POLICY
- ▽ TIERED RATES FOR DYMNT. IMPACT FEES FOR TINY HOMES + SFH
- ▽ PROTOTYPES FOR ADUS STREAMLINE PROCESS!
- ▽ PERSON SPECIFIC PROPERTIES
- ▽ REPURPOSING FOR HSG.



- ▽ EAST SIDE THIS SPACE BUT NOT CONNECTIVITY
- ▽ WILLIAM'S BROS TO WEST SIDE PROP FOR MULTI
- ▽ WOODLAND PLAZA
- ▽ NEED TO REZONE SPECIFIC PROPERTIES
- ▽ CRESTON

Community Workshop | January 29, 2020

# CITY OF PASO ROBLES

## HOUSING CONSTRAINTS + OPPORTUNITIES

### COMMITTEE MEETING 1.30.20

BE REALISTIC + CREATIVE

### CONSTRAINTS



+ INCENTIVES!

1 SATISFY STATE LAW + 2 PROVIDE AFFORDABLE HOUSING

CRITICAL + WORTHY GOAL!

- ▷ HOW TO ACTUALLY IMPLEMENT DUMP - NEED INCENTIVES FOR AFFORDABLE HOUSING, WITHOUT SUBSIDIES, HOW DOES IT PENCIL OUT?
- ▷ BY-RIGHT STREAMLINES BUT CON = PUBLIC LIMITED INPUT
- ▷ CONTINUE TO LOOK O PEEES
- ▷ LOOK O EXPANSION OF SPECIFIC PLAN ALSO AN OPP!
- ▷ NO EXTREMELY LOW INCOME HOUSING FACILITY DISTRICT FEE (ALL NEW RES. LOTS) (GET PLANT TO LOTSPLITS ON WEST SIDE) MORE APPROP ON ANNEXATION
- ▷ PARKING RPMTS CAN ALSO BE PROHIBITIVE
- ▷ NEED FOR TRANSIT - CONSIDER SUITABLE SITES NEAR TRANSPORTATION
- ▷ 800 LOW/MED = MAJOR CHALLENGE PUSH TO GET MORE DENSITY BONUS HIGHER DENSITY BONUS FOR SMALLER UNIT SIZES
- ▷ EXISTING DENSITY BONUS LAW
- ▷ NEW FUNDING SOURCES FOR AFFORDABLE HSG.
- ▷ RURAL DESIGNATION IMPACTS AS POPULATION INCREASE - GRANTS + FUNDING AT RISK (TAX CREDITS) CHECK CRITERIA!

### OPPORTUNITIES / POLICY CHANGES

- ▷ LOOK AT ZONING CODES VS. DISCRETIONARY REVIEW
- ▷ CONSIDER CREATIVE DENSITIES eg. 1/2 UNIT
- ▷ REDUCE PARKING RPMTS PARTNERSHIPS
- ▷ PARTNERSHIPS W/ CO + OTHER JURISDICTIONS... RHNA SHARE!
- ▷ NEED OPPS FOR TINY HOMES
- ▷ RECAPTURE PARKING IN-LIEU FEES REDIRECT FUNDS TO PUBLIC TRANS. FOR PARKING
- ▷ LENIENCY ON SITES ON BUS ROUTES
- ▷ INCENTIVES FOR OWNERS TO KEEP UP-TO-DATE, eg. trailer parks, Grand View
- ▷ INCLUSIONARY ZONING
- ▷ PROPERTY TAX DISTRIBUTION
- ▷ ANNEXATIONS
- ▷ IN-LIEU FEES
- ▷ COMMERCIAL LINKAGES FEES
- ▷ REINVENTORY OF # OF UNITS TO BUILD MORE ACCURATE/FLEX.
- ▷ DENSITY BONUS ORDINANCE REVISIONS TO ALLOW FOR HIGHER BONUSES

### POTENTIAL LOCATIONS

- ▷ LAND DONATIONS BR AFFORDABLE
- ▷ ADUS
- ▷ GRAND OAKS PASO THINK ABOUT DEFINITION OF TINY HOME

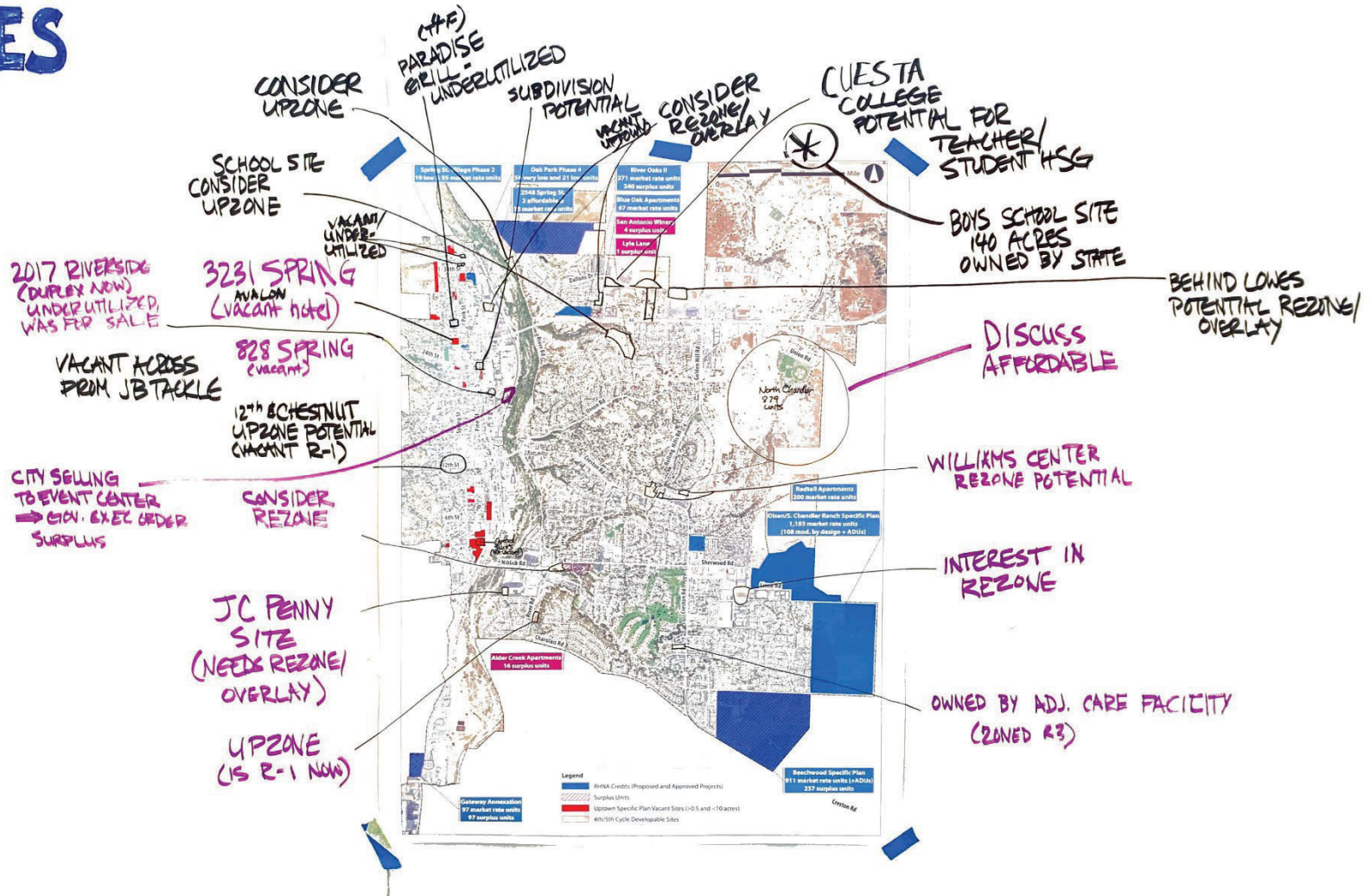
TO DISCUSS @ FEB 13 MTG.

HCOC Meeting #1 | January 30, 2020

# PASO ROBLES

HCOC MEETING  
2.13.20

POTENTIAL  
SITES  
TO MEET THE  
RHNA



HCOC Meeting #2 | February 13, 2020

# PASO ROBLES HOUSING ELEMENT

HCOC 3.12.20

## PRIORITY FOR SURPLUS

- CONSIDER SURPLUS ASSUMPTIONS/ 2003 DECISIONS
- CONSIDER SCHOOL DISTRICT NEEDS/ POLICIES
  - 200 ENROLLMENT IN NEXT 10 YRS.
  - REDUCING BUSING
  - GROWTH IS OCCURRING IN EAST; WEST IS A CHALLENGE
  - CONSIDERING SCHOOL CONSOLIDATION
  - STATE IS PLANNING FOR DECLINING ENROLLMENT
  - ABOVE MOD NOT LIKELY TO SUPPORT STARTER FAMILIES/MORE STUDENTS
  - MONTEBELLO OAKS NOT ANTICIPATED TO BE SOLD
- COMPETE WELL FOR TCAC SHOULD BE PRIORITY
- ENCOURAGE 'DOWNTOWN' HOUSING
  - UPTOWN HAS CAPACITY FOR 900 UNITS
- SLO DENSITY UNITS BASED ON # BEDROOMS



MAKE IT EASIER TO BUILD = DEFINED FLEXIBILITY W/ MENU OF OPTIONS

- LOOK AT SANTA ROSA FOR STREAMLINING TOOLS
- REDUCE PARKING/ DEVELOPMENT STANDARDS
  - OPEN SPACE (PARKS)
  - BUILT INTO UPTOWN
  - PAY INTO FUND
  - DENSITY SETBACKS
  - LARGER PLOT?
- CONSIDER OVERLAY ZONE FOR AFFORDABLE HSG W/ BY RIGHT DEVELOPMENT TRACK ON PRIORITY SITES
  - 5+ UNITS IN UPTOWN IS CURRENTLY REVIEWED BY PC - CONSIDER REVISING THRESHOLD
  - ATASCADERO BY-RIGHT SITES (JUST DRO)
  - W/ MENU OF CONCESSION OPTIONS
- AUSTIN: ALLOW UPZONING FOR AFFORDABLE PORTION OF DEVELOPMENT
- CONSOLIDATE CONCESSIONS/ RELAX DEFINITION FOR CONCESSIONS FOR DENSITY BONUS
- FLEXIBILITY/ CONCESSIONS FOR AFFORDABLE HOUSING (EVEN W/O DENSITY BONUS)
- MIX OF HOUSING SIZES THROUGH DENSITY UNIT ADJUSTMENTS LIKE SLO
  - GOAL IS FOR MIX, NOT JUST STUDIOS

PROVIDE INCENTIVES

- INCLUSIONARY IN-LIEU FEES ARE EFFECTIVE - ANY ORDINANCE SHOULD HAVE THIS
  - LAND DONATION IS ALSO EFFECTIVE
- CONSIDER POTENTIAL MARKET DISINCENTIVE
  - MUST FIND AN INCENTIVE TOO
- LINK TO STATE OF THE MARKET FOR ANY INCLUSIONARY
- COMMERCIAL LINKAGE SHOULD NOT APPLY TO HEAD OF HOUSEHOLD JOBS, IF DONE AT ALL
  - APPLY TO LOW PAYING JOBS, HOTELS
  - DON'T INTERFERE TOO MUCH

BUILD CAPITAL POOL

- STATE PROGRAM ON LINKED DEPOSITS (INSURED TO \$250M IN ONE BANK) - BRING THESE BACK TO LOCAL BANKS THROUGH POOL/RISK SHARE
- CONSIDER TOT
  - CITY HESITANT TO DEDICATE UNLESS IT IS INCREMENT OF INCREASE
- HOUSING TRUST FUND
- EXPLORE MORE P3
  - E.G. SILICON VALLEY TRUST FUND - LOCAL PAY INTO CAPITAL POOL
- REVOLVING LOAN FUNDS





**HCOC MEETING #4 | 5.21.20**

**RHNA CREDITS AND SITES**

- MU1 AND MU2 VERY INTERESTING SITES; WOULD LIKE TO SEE AFFORDABLE ESPECIALLY JCPENNY SITE

- MU2 HOUSING AUTHORITY CONSIDERING UP TO 78 UNITS; SENIOR VERY LOW AND LOW-INCOME UNITS

- DEVELOPER INTEREST IN MIXED USE AT WOODLAND PLAZA

- THERE HASN'T BEEN DEVELOPMENT INTEREST IN COMMERCIAL AT THESE SITES; BUT MU OVERLAY SHOULD CONTINUE TO ALLOW FOR COMMERCIAL TOO

- MU OVERLAY SHOULD NOT REQUIRE COMMERCIAL COMPONENT; MAXIMUM FLEXIBILITY

**UPTOWN DENSITY ASSUMPTIONS**

- IN R-3 AND T-3N ALLOW 3 UNITS, BUT ADD MINIMUM LOT SIZE REQUIREMENT

- EXTENSION OF UTSP COULD EXTEND NEW DENSITY ASSUMPTIONS TO THE EXTENDED AREA

- ADUS: CONSIDER NO REQUIREMENT FOR PARKING IN UPTOWN (EXTEND BEYOND 1/2 MILE OF TRANSIT)

- CAN IT BE MORE THAN 30 DU/AC IN COMMERCIAL ZONES? THIS WILL SUPPORT SMALLER UNIT SIZES

**SURPLUS DENSITY UNITS**

- FRACTIONAL UNITS HAVE BEEN CONSIDERED FOR WATER METERS/FEEES IN PAST (JEFFRIES PROJECT)

**PROJECT ATTRIBUTES TO CONSIDER FOR PRIORITY ALLOCATION OF SURPLUS UNITS:**

-CONSIDER IMPACT ON CITY BUDGET FOR PROJECT ATTRIBUTES FOR PRIORITY -- RESIDENTIAL DEVELOPMENT SHOULD SUPPORT ITSELF/ABILITY TO PARTICIPATE IN CFD

- CAP AND TRADE FUNDS RELY ON PROJECTS BEING CLOSE TO TRANSPORTATION CORRIDORS OR HOUSING CLOSE TO JOB CENTERS (GHG REDUCTION) - ADD AS PRIORITIES

**HOUSING POLICIES TO CONSIDER**

- SUPPORT FOR FRACTIONAL UNITS  
- SUPPORT FOR UPTOWN DENSITY INTERPRETATIONS

- SUPPORT FOR 3 UNITS WITH MINIMUM LOT SIZE

**PC THRESHOLD OF REVIEW (5 UNITS)**

- INCREASES COST AND TIME  
- CONCERN THAT SMALL SITES COMPLICATE DESIGN; 10 UNITS MAY BE REASONABLE AND 20 UNITS TOO MUCH  
-ANYTHING MORE THAN 4 UNITS CAN AFFECT NEIGHBORS

**- STAFF WOULD RECOMMEND 10 UNIT THRESHOLD (ONLY FOR ZONING COMPLIANT PROJECTS)**

**- STAFF TO IDENTIFY WHICH EXCEPTIONS IN UTSP SHOULD BE CONSIDERED BY DRC/PC**  
**- ADD REQUIREMENT TO REVIEW IN ONE YEAR AND ASSESS**

**- CLARIFY SHOULD THIS BE DENSITY UNITS OR DOORS? IT SHOULD BE DOORS**

- OR COULD IT GO THROUGH AN EXPANDED DRC REVIEW PROCESS WITHOUT REQUIRING PUBLIC HEARING (CAN IT STILL BE CONDITIONED?)  
- APPEAL PROCESS ALLOWS FOR A PROCESS; DRC DOES NOT CURRENTLY INCLUDE A NOTICING PROCESS

- SUPPORT FOR REVISION TO MIXED USE OVERLAY TO INCREASE TO 30 DU/ACRE

- ADUS INCENTIVES SUCH AS REDUCED DEVELOPMENT FEES, FINANCING NEEDS TO CONSIDER LOW COST ADUS TO MAKE THEM AFFORDABLE (ALREADY QUITE LOW, ESPECIALLY LESS THAN 750 SF)

- DO THE HOUSING LAWS TRUMP ENTERPRISE FUND RULES? CANNOT TRANSFER WATER/WASTEWATER FEE RESPONSIBILITY TO ANOTHER PARCEL. QUESTION FOR KIMBERLY

**HCOC Meeting #4 | May 21, 2020**

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