

RESPONSE TO GRAND JURY REPORT

Report Title: "Affordable Housing, An Urgent Problem For Our Community"

Report Date: June 18, 2019

Response by: James R. Lewis Title: City Manager

FINDINGS

1. I (we) agree with the findings numbered: F6
2. I (we) disagree wholly or partially with the findings numbered: F7
(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

1. Recommendations numbered R2 have been implemented.
(Attach a summary describing the implementation actions.)
2. Recommendations numbered R1 and R6 have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
3. Recommendations numbered R4 and R5 require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of the publication of the Grand Jury report.)
4. Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 8-19-19

Signed: _____

 JAMES LEWIS, CITY MANAGER

Number of pages attached: 2

City of Pismo Beach explanations and timeframes for response to Grand Jury

Findings:

2. **F7** - The length and cost of the building permit process is a major barrier to the construction of all housing, especially low income housing.

Response – I somewhat agree with this statement. With regard timing, the City of Pismo Beach provides a quick average turnaround time of approximately 8-10 months for projects that generally comply with zoning regulations. The breakdown includes an approximately 4-6 month entitlement process through planning and an estimated 4 month plan check process. The City continuously strives to shorten these times when possible. However, the cost to process these projects can be somewhat prohibitive, especially the various impact fees. For affordable housing projects, the City sees these fees as negotiable and a tool to assist qualifications for tax increment or other financing options.

Recommendations:

1. **R2** – Create, file and publish the required housing element documents and reports on time and in a form easily accessible to the public.

Response - The City currently provides a link to its current Housing Element Update efforts on the first page of the City's website and provide hard copies of the documents at various locations (libraries, etc.).

2. **R1** - Fast-track building and planning permit approvals.

Response - The timeline for implementation is within FY 2019-20 in conjunction with the City's update of its Local Coastal Program.

R6 – The cities and County should detail their specific plans to engage the public in the formulation of the 2020-2028 Housing Plan Update.

Response – The City of Pismo Beach is in the final phases of completing its update to the 5th cycle Housing Element to gain compliance with State regulations. Also, the City is in the consultant selection process for the 6th cycle Housing Element Update. The 6th cycle update will parallel the City's Local Coastal Program update. The City and its consultants will coordinate to identify the most effective approach to citizen engagement by the end of 2019.

3. **R4** – The cities and County should concentrate on promoting rentals for families earning below moderate incomes by increasing the percentage of required inclusionary housing units.

Response – Early in the 6th cycle Housing Element update (approx. 1st quarter of 2020), the City will review its currently inclusionary housing ordinance to determine how best to promote affordable rentals. One item that will be discussed is whether to require projects with 10+ residential units to include a portion of the units as affordable versus pay an in-lieu fee. Another item will be restricting vacation rentals in mixed-use projects outside the Downtown area in order to maintain/increase long-term rental housing stock.

R5 – Increase opportunities through rezoning for non-traditional housing options, such as modular homes, pre-fabricated homes and mobile home parks.

Response – As part of the Local Coastal Program Update, the City will be completing a comprehensive review of all housing types currently permitted and review options for non-traditional housing, including small cottages, micro-units, etc. to determine compatibility with the City's character and identify potential impacts. This review will be completed within the FY 2020-21 timeframe as prescribed.