



Item No. 3A
Town of Atherton

PLANNING COMMISSION STAFF REPORT – PUBLIC HEARINGS

TO: PLANNING COMMISSION

FROM: BRITTANY BENDIX, TOWN PLANNER

DATE: FEBRUARY 26, 2025

SUBJECT: 2024 GENERAL PLAN IMPLEMENTATION AND HOUSING ELEMENT ANNUAL PROGRESS REPORT

RECOMMENDATION

Review and accept the 2024 Annual Progress Report (APR) and authorize its transmittal to the California Governor's Office of Planning and Research (OPR) and the Californian Department of Housing and Community Development (HCD) via Council update, pursuant to Section 65400 of the California Government Code.

BACKGROUND

The State of California Government Code 65400 et seq requires jurisdictions to prepare an annual progress report (APR) for review by its local legislative body, the California Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD). Each report must describe the following:

- The status of the local general plan and progress in its implementation.
- The progress in meeting its share of regional housing needs.
- The degree to which the local general plan complies with the adopted OPR guidelines.
- The date of the last revision to the local general plan

California Government Code Section 65400(a)(2)B states that "The housing element portion of the annual report ... shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development ..." The tables provided in Attachment 1 reflect the required formatting delivered to the State each year and reflect the progress made in meeting Atherton's share of regional housing needs. The following list identifies the tables required for the APR:

Table A:	Housing Development Applications Submitted
Table A2:	Annual Building Activity Report Summary (New Construction, Entitled, Permits and Completed Units)

Table B:	Regional Housing Needs Allocation (RHNA) & Extremely Low-Income Need Progress – Permitted Units Issued by Affordability
Table C:	Sites Identified or Rezoned to Accommodate Shortfall
Table D:	Program Implementation Status
Table E:	Commercial Density Bonus Approved
Table F:	Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites
Table F2:	Units Converted to Moderate Income
Table G:	Locally Owned Housing Element Sites
Table H:	Locally Owned Surplus Land
Table J:	Student Housing that Received Density Bonus
Table K:	Tenant Preference Policies

For the purpose of reporting to the Planning Commission and City Council, staff has included the tables that are relevant to the Town’s housing programs at Attachment 1. This includes Tables A, A2, B, and D. The remaining tables are not currently applicable to the Town. Please note that the programs listed in Table D correspond to the current Housing Element, including the most recent revisions approved by the City Council on February 19, 2025.

ANALYSIS

Status of the Atherton General Plan and Progress in its Implementation

The Land Use, Circulation, Open Space and Conservation, Noise, and Community Safety Elements of the Atherton General Plan were updated between 2017 and 2020 and adopted by the City Council on January 15, 2020. The Housing Element is the only element required to be reviewed and certified by HCD. On January 31, 2023, the Town adopted and self-certified its 6th Cycle Housing Element for 2023 to 2031. However, to achieve state-certification, the Town continues to work towards updating the adopted 6th Cycle Housing Element. At present, the Town’s contract planning staff is completing an initial study that addresses requirements of the California Environmental Quality Act (CEQA) to address potential impacts from zoning changes relating to the 6th Cycle Housing Element. As this process continues, the Town continues to pursue the 2023-31 RHNA allocation requirements assigned by HCD and OPR, and in compliance with the Town’s adopted General Plan.

Progress in meeting Atherton’s Share of Regional Housing Needs

California Government Code (CGC) Section 65400(a)(2)B states that “The housing element portion of the annual report ... shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development ...” The tables provided in Attachment 1 describe the progress made in meeting Atherton’s share of regional housing needs.

Table A lists planning permit applications for single family dwellings and accessory dwelling units that were filed in 2024. The table identifies sites by Assessor’s Parcel Number (APN), street address, a project name as categorized in the Department’s permit tracking system, and a permit number. The details provided for each application include the type of housing unit developed, such as an ADU or single-family dwelling (SFD), the anticipated tenure of the unit (renter or owner occupied), the date of application submittal, and the anticipated affordability of the unit. The current status of each submittal is also provided, indicating if the application is still pending review, approved, or disapproved. The state also requests that the Town report on the use of any permit streamlining processes (i.e. SB 9) or the use of the state’s Density Bonus program.

As indicated in Table A, the Planning Department reviewed twenty-three (23) applications for single-family dwellings and sixty-two (62) ADU applications in 2024. Additionally, for twenty-four (24) of the ADU applications the Town also had the opportunity to collect applicant-reported rental information through a voluntary survey. This data indicates that during 2024 the Planning Department received applications for nineteen (19) ADUs affordable to households at very low- and low-income levels opportunities, and five (5) ADUs at moderate-income levels. The remaining ADUs and single-family homes are categorized as above-moderate income. Staff will continue to request rental data from applicants as these projects move forward with and final their construction activities.

The information provided in Table A2 focuses on permit activity that occurred during 2024 and tracks applications for ADUs and single-family homes that are already “entitled” (approved) by the Planning Department through permit issuance and final inspection or occupancy by the Building Department. If any step during this process occurred during 2024, the Town must report it to the state in the APR. As a result, the table includes data that is not tallied in the summary row, because it was not relevant to 2024. For example, 76 Belleau Avenue received approval by the Planning Department and was issued a Building Permit for an ADU in 2023, it then received its Certificate of Occupancy in 2024. Therefore the statistics of that unit are only counted in the ‘Certificates of Occupancy’ section of the table, and ignored in the “Completed Entitlement” and “Building Permit” sections.

Similar to Table A, Table A2 requires any known information relative to unit affordability that may or may not be deed-restricted. Table A2 also requests information relating to permit-streamlining, participation in financial assistance programs, specifics of affordability requirements in deed-restrictions, demolition of existing units and participation in the state’s Density Bonus program. The formatting for Table A2 results in a very broad table that is not reader friendly in print form. To make it more legible staff has spliced the table into two parts. Table A2 – Parts 1 and 2 both include the Project Identifier information and Unit Types as a reference point. Part 1 also includes the affordability information, broken up by project status – completed entitlement, building permits, and certificate of occupancy. Part 2 includes additional details beyond the project status.

Table B provides an overview of the Town’s progress in meeting its Regional Housing Needs Allocation Progress. The number of units reflected for 2024 are pulled from the building permit *issued* data in Table A2 (sections 7, 8 and 9) and only counts permits issued in 2024. As shown in Table B, the Town added an additional 45 units towards its allocation during 2024. Ten of these units will be provided at rents affordable to extremely low-income households, as reported by applicants. Throughout the remaining cycle, the Town must provide an additional 238 units, at varying income levels, by 2031. To achieve this requirement the Town is relying on a combination of housing programs.

Table D summarizes last year’s progress on the adopted Housing Element implementation programs, many of these programs are structured to meet the remaining RHNA objectives. In 2024 the Town achieved substantial progress with its Housing Element goals through the adoption of revisions required by the state and the adoption of development standards for multifamily housing. Additionally, the Town completed robust public outreach relative to its ADU program.

Degree to which the Atherton General Plan complies with the Adopted OPR Guidelines

OPR adopted General Plan Guidelines in 2003 for use by local jurisdictions in the preparation of their general plans. The Guidelines were updated in 2017. The Guidelines are permissive, not mandatory and are quite extensive. According to staff analysis, the 2019 Atherton General Plan is in compliance with the adopted OPR Guidelines.

Date of the Last Revision to the Atherton General Plan

The last revision to all elements except the Housing Element of the Atherton General Plan was adopted by the City Council on January 15, 2020. The 2014-2022 Housing Element was adopted on March 18, 2015. The 2023-2031 Housing Element was first adopted by the Council on January 31, 2023. Subsequent updates were adopted by the City Council on October 16, 2024 and February 19, 2025. The most recently revised 2023-2031 Housing is currently under review by HCD.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically on the Town's website. Information about the project is also disseminated a legal advertisement of the agenda in Almanac newspaper.

ATTACHMENTS

1. Housing Element Annual Progress Report Data table