

What are the Housing Needs of Our Community?

Planning for Housing in San Marcos



Housing Element Background



What is a Housing Element?



- The Housing Element is part of the General Plan and looks at housing needs within San Marcos
- It lays out the City's housing policies and identifies goals and programs that guide housing related actions
- Each city in California is required to update its Housing Element periodically; San Marcos must update it every eight years
- Must be certified by the State **by April 15, 2021**



What is Included in a Housing Element Update?

Housing Element update begins by understanding current conditions

Housing Needs Assessment

- Collect data on the housing needs of all residents including seniors, people with disabilities, and people experiencing homelessness

Existing Housing Inventory

- Determine the characteristics of the housing stock; how well does existing housing meet the needs of current and future residents?



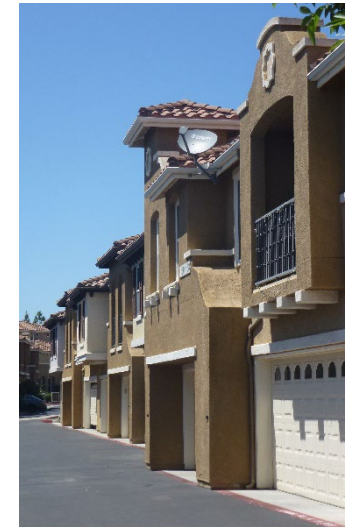
What is Included in a Housing Element Update?

- An **assessment of fair housing** will be conducted to understand if there are issues related to housing discrimination
- Housing Element will identify **constraints to providing housing**, such as:
 - Market constraints, e.g., land and development costs
 - Zoning regulations
 - Environmental constraints, e.g., seismic and wildfire hazards



What is Included in a Housing Element Update?

- Housing Element will describe the **resources available for the development and preservation of housing:**
 - Financial resources, e.g., funding for home rehabilitation
 - Residential Sites Inventory – Prepare an inventory of vacant and underutilized sites with residential development potential



What is Included in a Housing Element Update?

- Housing Element's **goals, policies, and housing programs** will address the identified housing needs and constraints
- Housing Element must:
 1. Ensure there is adequate land to meet the housing needs
 2. Have programs to facilitate affordable housing development
 3. Mitigate government constraints on housing development
 4. Promote equal access to housing



The Housing Element Update Process

- In early 2020, the City had initiated a comprehensive update to its General Plan, however this project has been suspended due to impacts related to COVID-19
- The City is still moving forward with updating select components of the General Plan in accordance with State requirements
- As part of this focused work effort, the City is:
 - Updating the Housing Element
 - Updating the Safety Element
 - Preparing a new Environmental Justice Element
 - Preparing the necessary supporting environmental documents
- The project, including the Housing Element Update, is expected to be reviewed by the City Council in April 2021



Planning for Housing in San Marcos



Local Housing Facts

- City's **population grew 72%** from 2000 to 2018 with most growth occurring between 2000 and 2010; **94,709 pop.** in 2018
- Age profile has been trending older over the past decade – City's 55-74 year-old population grew between 2010 and 2018, while most other age groups declined
- City has seen notable growth in median household incomes since 2010 – a nearly **10% increase in real income**



Local Housing Facts

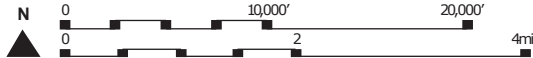
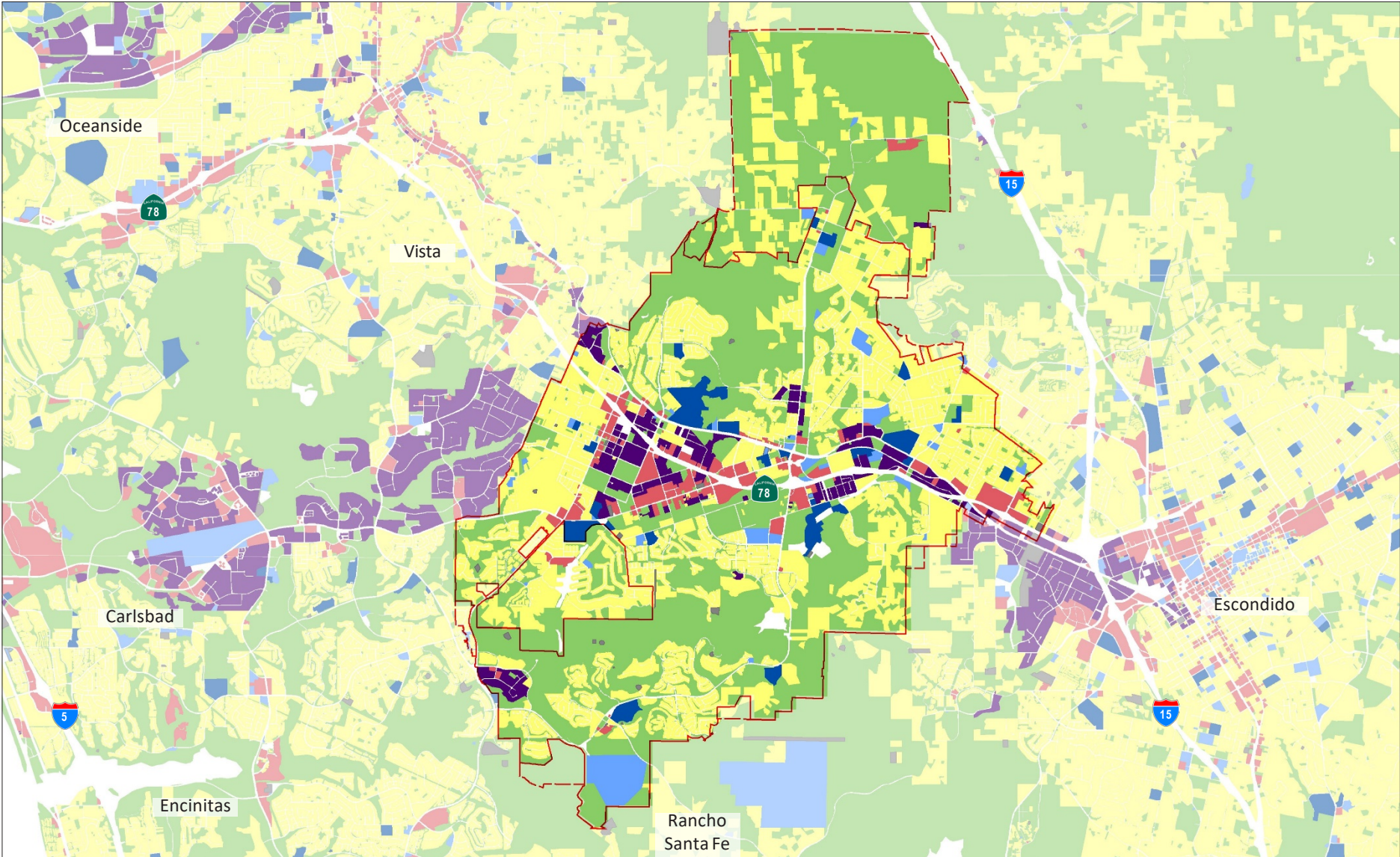
- City's housing stock consists primarily of owner-occupied single-family homes – **49 %**
- Multi-family buildings – which include duplexes, four-plexes, and apartment buildings – is **26%**
- San Marcos has a relatively high proportion of housing units defined as "Other," primarily mobile homes, however the proportion of "Other" types of homes is declining
- Mostly owner-occupied – 61% vs. 39% renter-occupied – but the proportion of owner-occupied units has been decreasing since 2000
- Housing stock has grown around 3.5% annually over an 18-year period although it slowed considerably between 2010 – 2018
- Vacancy rate remained flat and relatively low (<5%) in the same period, i.e. City has been successful in absorbing new housing



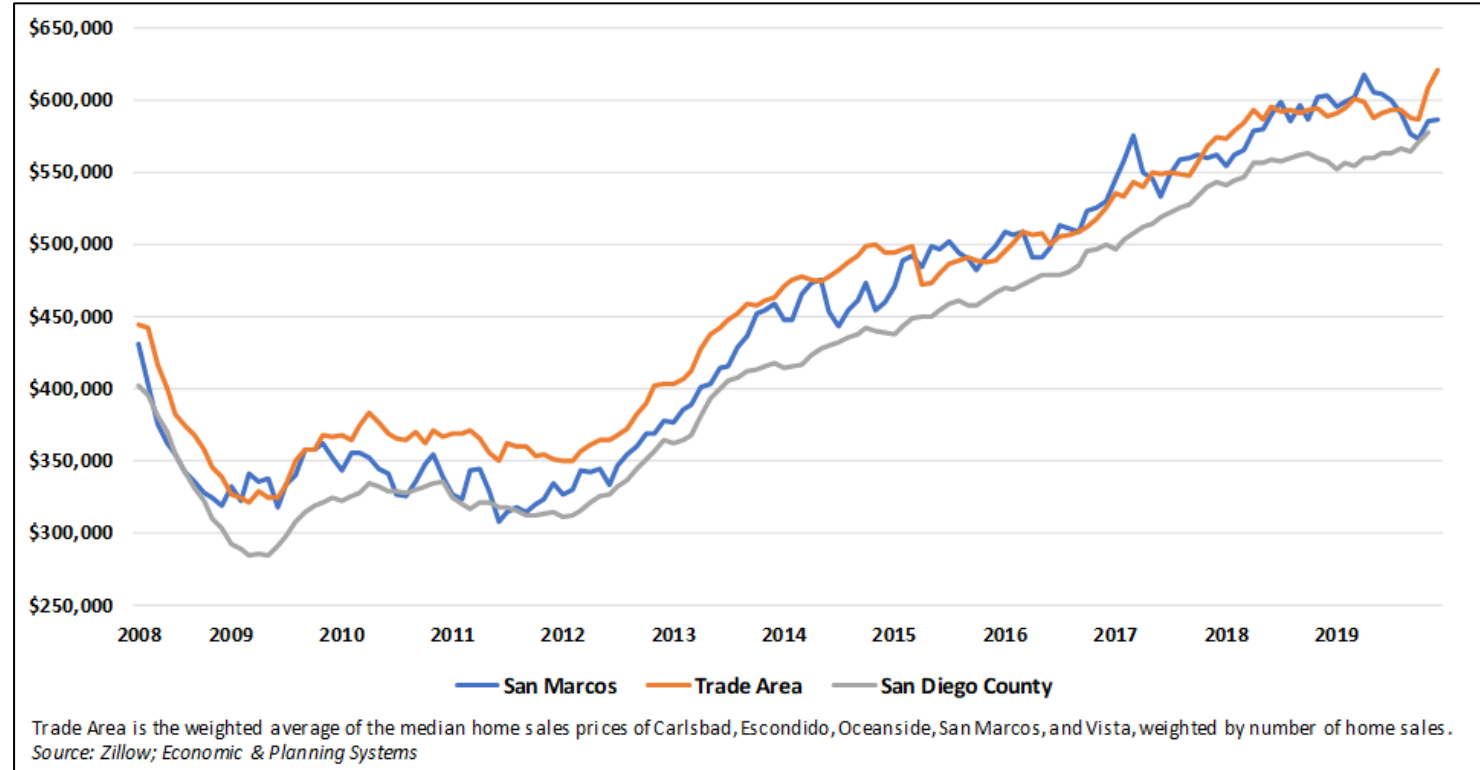
SAN MARCOS DEVELOPMENT PATTERNS

Legend

- San Marcos Boundary
- - - San Marcos Sphere of Influence
- Water Body
- Open Space
- Residential
- Industrial
- Commercial
- Education
- Civic
- Hardscape



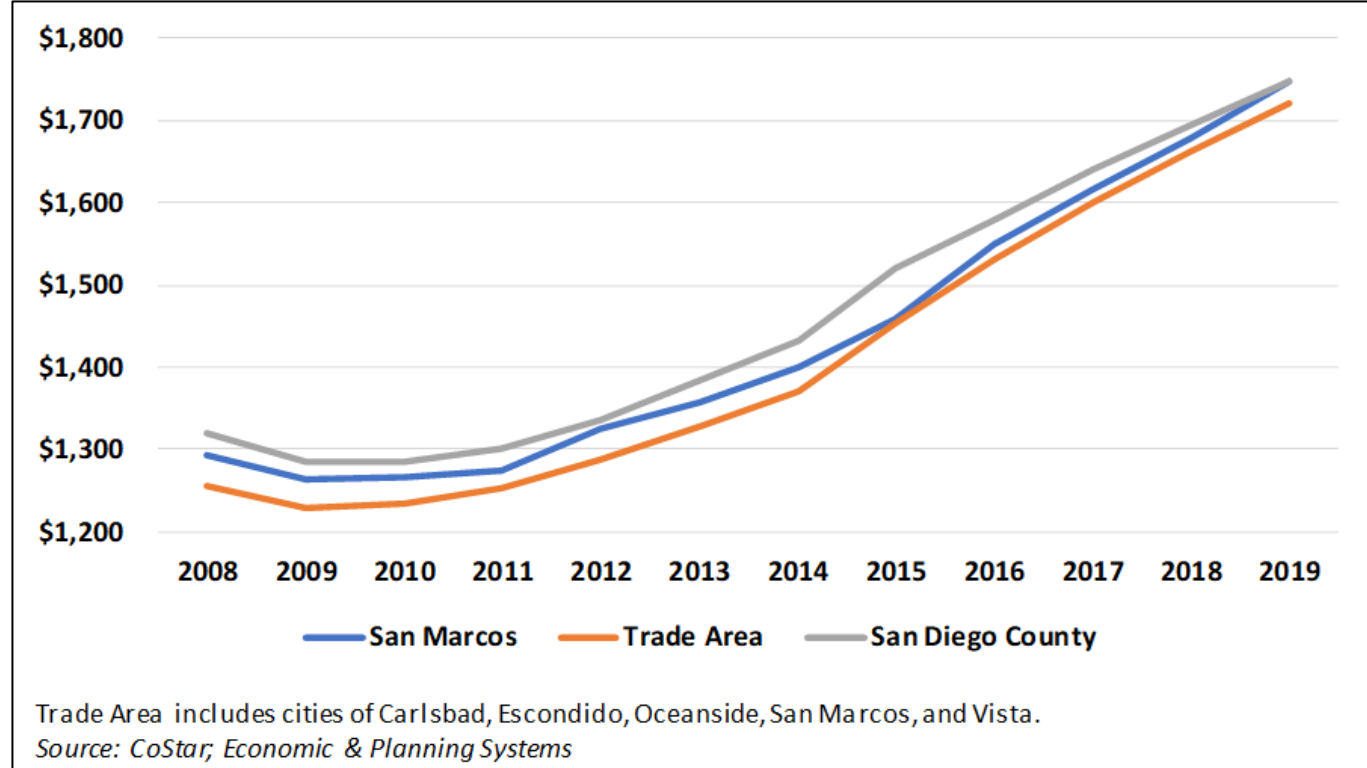
Affordability – Ownership



- Home prices in San Marcos have had a strong upward trend since 2012
- Median sale prices in 2019 were 5-6% higher than the County



Affordability – Rental



- Average rents in San Marcos have steadily risen since 2010 and are 35% above 2010 levels
- In 2019, the City's average rent was about \$1,750 per month

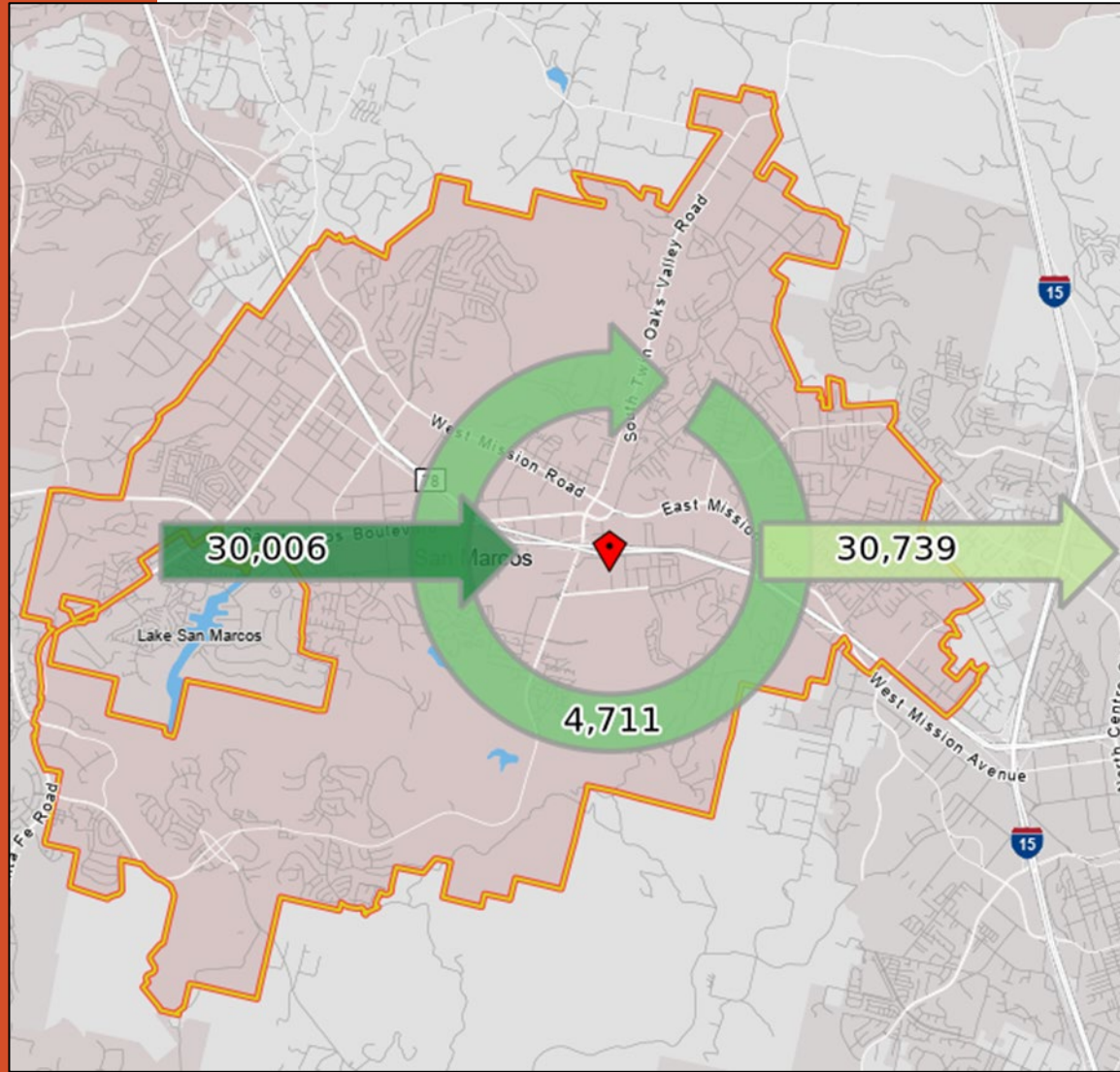


Affordability

- A high proportion of households in the City are considered cost-burdened (paying more than 30% of their income towards housing costs)
- About 1/3 of homeowners are cost-burdened, including 13% who are severely cost-burdened
- Over half of renter households are cost-burdened, with 30% being severely cost-burdened
- Important for the City to consider strategies to facilitate more affordable housing in order to alleviate cost pressures and remain accessible to a wide range of households



Commute Patterns



- San Marcos has a dynamic inflow and outflow of workers and residents
- City currently functions more as an employment center than a residential center
- Approx. 30,000 residents commute out and 30,000 workers commute in
- Jobs-to-household ratio of 1.19 – slightly higher than the County



Our Role in Regional Housing

- The Housing Element is the City's plan for meeting its "fair share" of **regional housing needs**
- Determination of "fair share" starts with the State calculating the future housing need for each region over the planning period (2021-2029)
- San Diego Association of Governments (SANDAG) develops methodology for distributing the regional housing needs to all cities in the region



Our Role in Regional Housing

- San Marcos receives a Regional Housing Needs Allocation (RHNA) from SANDAG and must show that there is enough land zoned for housing to accommodate their RHNA
- The RHNA is also broken down into affordability levels which tell the City how many units need to be designed for each income level:
 - Very Low Income (0-50% AMI)
 - Low Income (51-80% AMI)
 - Moderate Income (81-120% AMI)
 - Above Moderate Income (above 120% AMI)

** AMI is "Area Median Income": 2020 AMI for San Diego County is \$92,700*



Our Role in Regional Housing

- San Marcos' RHNA for the 2021-2029 Planning Period is 3,116 units
- Approximately 40% of the City's RHNA is dedicated to Very Low or Low-Income Households

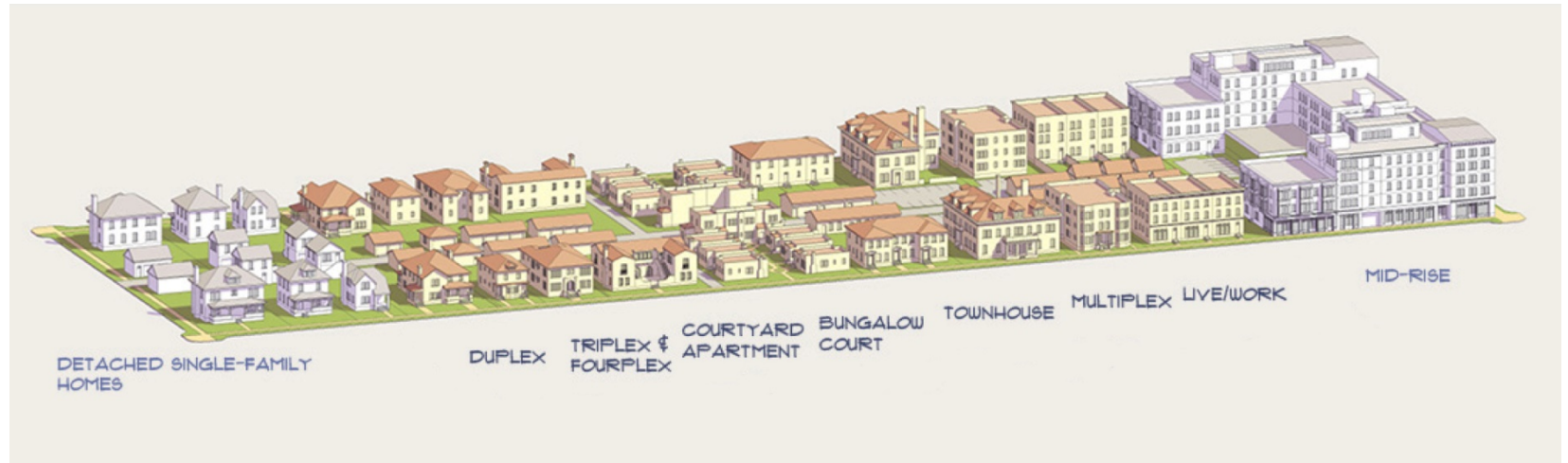
Income Level	2021-2029 San Marcos RHNA
Very Low-Income Households	728
Low-Income Households	530
Moderate-Income Households	542
Above Moderate-Income Households	1,316
Total	3,116



What Types of Housing are Available to Meet Our Needs?



Housing Types – Scale & Density



- Homes come in a variety of different scales and densities
- Different people and lifestyles are attracted to different types of housing choices
- Communities can offer a variety of housing types to meet the various needs of its residents



Housing Types



Accessory Dwelling Unit (ADU)



Duplex



Single-family



Multi-family



Mixed Use



Housing Types



Projects that are “affordable” can still be well-designed and fit in with the surrounding community.

Can you tell which is an affordable housing project and which is market-rate housing?



How is the City Currently Addressing our Housing Needs?



Our Current Housing Element

- Current Housing Element identified a surplus capacity for housing development – a potential for 1,712 additional units, including 837 low- and very low-income units
- Since the 2021-2029 RHNA calls for 3,116 new housing units, the surplus capacity may not cover the allocation for the 2021-2029 planning period and the Housing Element Update may need to identify more sites for housing



Our Current Housing Element

- **Key opportunities and challenges:**
 - Steady growth in home prices and rents have contributed to the high proportion of households that are cost-burdened (paying more than 30% of their income towards housing costs)
 - San Marcos will have to consider ways to address housing affordability and encourage the production of units that are accessible to lower- and moderate-income households



What's Next for San Marcos?



Next Steps



Please visit <https://sanmarcos.generalplan.org> to complete the ONLINE SURVEY and share your feedback on housing in San Marcos

Check the website for more information and project updates

Thank you!

