



2021-2029 Housing Element Update

City Council Public Hearing:
June 2, 2026

Housing Element Status

- 3/8/23: HCD/AG sue the City regarding Housing Element
- Litigation ongoing for 2+ years
- 9/11/25: Court of appeal issues opinion in *The Kennedy Commission v. Superior Court* (2025)
 - Decided many of the contested issues in the litigation including applicability of state housing laws to charter cities
 - Matter of first impression – no prior legal precedent
- City requested California Supreme Court overturn the Court of Appeal's decision
- 12/10/25: California Supreme Court declined review of the case



Housing Element Status

- 12/19/25: Court orders City to adopt substantially compliant HE within 120 days; adopt zoning implementation within 120 days of HE adoption
- 1/21/26: City submits March 2023 substantially compliant draft HE to HCD for review
- 3/6/26: HCD provides comments requesting revisions to HE
- 5/14 & 5/21/26: City posts revised HE for public comments
- 5/28/26: Court deadline to come into compliance



Housing Element Status

- 5/14/26: Court rules to impose financial penalties on City
 - **\$10k monthly** Jan 2025 – May 2026
 - **\$50k monthly** June 2026 until City adopts substantially compliant HE
 - Court may impose additional **\$100,000/month starting in July**
 - Penalties go into a trust to provide affordable housing in California
- If noncompliance after 3 months of court order: **court may multiply penalties by a factor of 3**
- If noncompliance after 6 months of court order: **court may multiply penalties by a factor of 6**
- Court may require State controller to intercept state and local funds from City
- If noncompliance after 6 months: court may appoint a receiver to bring City's Housing Element into compliance
 - Removes City control over Housing Element and zoning actions



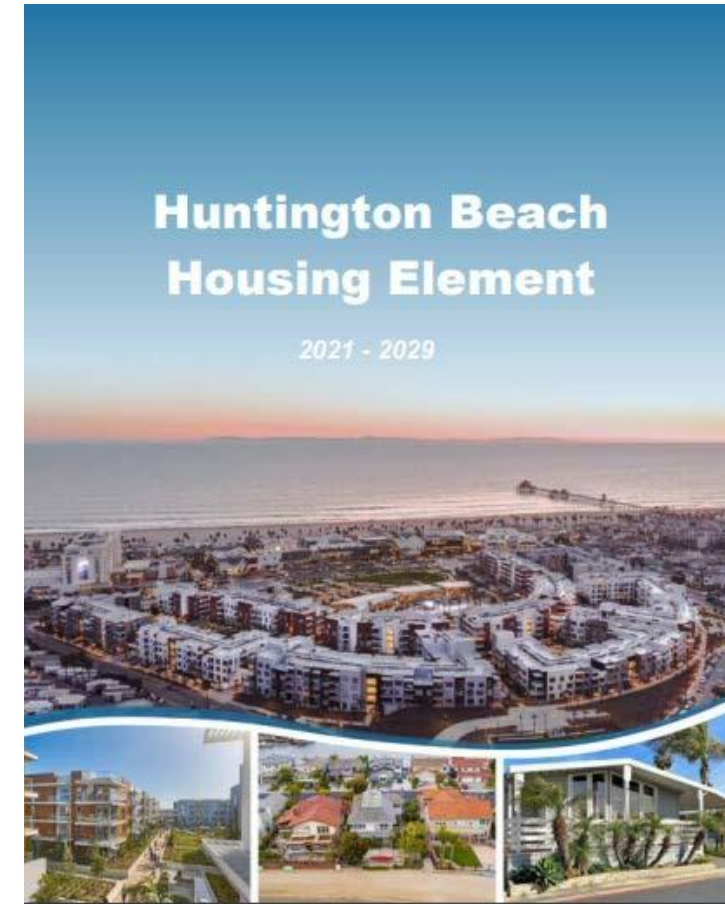
May 2026 Housing Element Revisions

- Sites Inventory
 - Proposed new Affordable Housing Focus Area (AHFA) zoning designation replaces prior Affordable Housing Overlays
 - Minor changes to sites inventory
 - Substantial evidence for HE identified sites
- Emergency Shelters/AB 2339
 - Additional clarifying language added regarding City's capacity to accommodate 143 unsheltered persons
- Measure U
 - Constraints analysis
- Program Updates
 - Adequate Sites program updated to reflect sites inventory changes & proposed AHFA zoning designation
 - Status/implementation and timing updates
- Pipeline projects and RHNA status updated



Housing Element Update

- Two main components:
 - Housing Element
 - Policy and planning document
 - Mandated element of the General Plan
 - Implementation Actions
 - Accommodates the City's plan for housing through zoning (i.e. – RHNA)
 - Affordable Housing Focus Area



Housing Element Contents



Population and housing profile of Huntington Beach

Evaluation of housing constraints and resources

Evaluation of existing programs and policies

Identification of sites appropriate to accommodate the City's RHNA Allocation

Policies, programs and quantified objectives to achieve the City's housing goals

Regional Housing Needs

- RHNA = Regional Housing Needs Allocation
- Initiates the Housing Element Update process
- Quantifies housing needs, by income category, within each County and City in the SCAG region
 - City went through lengthy appeal process with SCAG and was ultimately denied

HE Goal 2 Provide adequate sites to accommodate projected housing unit needs at all income levels identified by the RHNA.



2021 – 2029 Huntington Beach RHNA

Income Category	% of Area Median Income (AMI)	RHNA Allocation (Housing Units)	% of RHNA Units
Very Low Income	0 - 50% MFI	3,661 units	27%
Low Income	51 – 80% MFI	2,184 units	16%
Moderate Income	81 – 120% MFI	2,308 units	17%
Above Moderate Income	>120% MFI	5,215 units	39%
Total:		13,368 units	

Orange County AMI = \$138,600

Total RHNA Strategy Including Buffer Sites

	Very Low Income	Low Income	Moderate Income	Above Moderate Income
RHNA (2021-2029)	3,661	2,184	2,308	5,215
Permits issued (through 12-31-25)	361	253	383	619
Middle Income Housing Conversion		245	225	
Pending projects (Table B-3)	39	289	106	1,816
Remaining Unmet RHNA	3,261	1,397	1,594	2,780
Plan to Accommodate Remaining RHNA				
ADUs (2026 – 2028)	94		52	4
Hotel/Motel Conversions	288		0	0
Available/Rezoning Sites Capacity (Table B-14)	5,115		2,679	8,980
Total				
	5,497		2,731	8,984
RHNA MET?	YES		YES	YES

Sites to Accommodate the RHNA

1. Site Inventory

- AB 1397 (2017) Non-vacant sites
 - More than 50% of lower income RHNA accommodated on non-vacant sites requires detailed site analysis
 - Substantial evidence (e.g. – property owner letter, development trends, FAR, existing building condition, economic analysis)
 - Size analysis (between ½ acre & 10 acres)
 - Must demonstrate existing uses not an impediment to development during planning period
- AB 686 (2018) AFFH
 - Proximity to transit, access to health care facilities, grocery stores, community services, jobs and schools access, availability of infrastructure

2. Site Capacity

- Environmental constraints, density, past performance
- SB166 (2017) No Net Loss
 - Most capacity identified in BECSP, other areas if needed include Gothard corridor and Holly Seacliff industrial areas



Housing Goals & Programs

Section 4: Housing Plan includes 39 programs proposed to support the 9 goals.

1. Maintain and enhance the quality and affordability of existing housing
2. Provide adequate sites to accommodate projected housing unit needs at all income levels identified by the RHNA.
3. Provide for safe and decent housing for all economic segments of the community.
4. Reduce governmental constraints to housing production, with an emphasis on improving processes for developments that provide on-site affordable units.
5. Promote equal housing opportunities for all residents, including the City's special needs populations.
6. Promote a healthy and sustainable City through support of housing at all income levels that minimizes reliance on natural resources and automobile use.
7. Maximize solutions for those experiencing or at risk of homelessness.
8. Improve quality of life and promote place-making.
9. Affirmatively further fair housing.



2026 CEQA Finding

Court orders in the People of California ex rel. Rob Bonta v City of Huntington Beach include that:

- CEQA is satisfied for this item, as provided by Government Code Section 65759
- CEQA does not apply to the City's actions that are necessary to comply with the orders of the court



Recommendation

Approve the following requests:

- Find that the California Environmental Quality Act (CEQA) requirement for GPA No. 21-003 is satisfied based on court orders in the People of California ex rel. Rob Bonta v. City of Huntington Beach, San Diego Superior Court Case No. 30-2023-01312235-CU-WM-CJC that include, as provided by Government Code section 65759, that CEQA does not apply to the City's actions that are necessary to comply with the orders of the court.
- General Plan Amendment No. 21-003 (Housing Element Update)

