



2021-2029 Housing Element Update

Planning Commission Public Hearing:
October 11, 2022

Request

- General Plan Amendment No. 21-003 (Housing Element Update)
- Subsequent EIR No. 22-002 (analyze the potential environmental impacts associated with the Housing Element Update)

Implementation Actions

- General Plan Amendment No. 22-001 (General Plan Land Use Element Affordable Housing Overlay)
- Zoning Map Amendment No. 22-002 (Zoning Map Affordable Housing Overlay)
- Zoning Text Amendment No. 22-008 (HBZSO Chapter 229 Affordable Housing Overlay)
- Zoning Map Amendment No. 22-001 (RMH Rezoning)
- Zoning Text Amendment No. 22-009 (Beach and Edinger Corridor Specific Plan Affordable Housing Overlay)
- Zoning Text Amendment No. 22-007 (Holly Seacliff Specific Plan Affordable Housing Overlay)
- Zoning Text Amendment No. 22-006 (Ellis Goldenwest Specific Plan RH Overlay)



Planning Commission Public Hearing

Housing Element Update	Rezoning	Affordable Housing Overlay
GPA No. 21-003	ZMA No. 22-001	GPA No. 22-001 ZMA No. 22-002 ZTA No. 22-006 ZTA No. 22-007 ZTA No. 22-008 ZTA No. 22-009

CEQA: SEIR No. 22-002 covers all of the above applications

Housing Element Update Process & Public Participation

- March 1, 2021: Joint PC and CC Study Session
- April 22, 2021: Community Workshop Meeting #1
- April 28 – May 31, 2021: Online Survey open
- June 2021: Meetings with School Districts, BIA, Housing Advocates and Community Organizations, Housing Developers, and Faith-Based Organizations
- June 5, 2021: Spanish Language Outreach Event at Oak View Neighborhood Cleanup
- June 24, 2021: Community Townhall Meeting
- August 19, 2021: Public Scoping Meeting for SEIR
- November 10, 2021: Community Workshop Meeting #2
- October 28 – November 29, 2021: First Draft 6th Cycle Housing Element (H.E.) public review and comment period
- April 1, 2022: Second Draft H.E. released for public review
- May 27, 2022: Third Draft H.E. released for public review
- June 29 – August 15, 2022: Draft Subsequent EIR public review and comment period
- July 22, 2022: Fourth Draft H.E. released for public review
- September 23, 2022: Fifth Draft H.E. released for public review

Ongoing

Updates to Housing Element
page on City website

Email notifications to Housing
Element Update interest list



Housing Element Components



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



Households - Overview

Table 2-10: Changes in Household by Type

Household Types	2010	2015	2019
Married-couple Family Households	48.7%	50.4%	49.3%
Female headed Household, No Spouse Present	10.0%	10.6%	10.6%
Non-Family Household	36.4%	33.9%	34.9%
Householders 65 years or above	13.4%	14.6%	16.1%
Total Households	75,220	74,460	76,911

Source: American Community Survey, 5-Year Estimates, 2010, 2015, 2019.

Note: Percentages do not add to 100 percent, there are additional categories and household types that are reported by the Census.



Households – Special Needs Groups

Table 2-18: Special Needs Groups in Huntington Beach

Special Needs Groups	# of Persons or Households	Percent of Total Population	Percent of Total Households
Households with Seniors (60 years and over)	32,456 Households	--	42.2%
Seniors Living Alone	8,383 Households	--	10.9%
Persons with Disabilities	19,003 Persons	9.5%	--
Large Households (5 or more persons per household)	5,872 Households	--	7.6%
Single-Parent Households	3,712 Households	--	4.8%
Single-Parent, Female Headed Households with Children (under 18 years)	2,666 Households	--	3.5%
People Living in Poverty	16,065 Persons	8%	--
Farmworkers ¹	754 Persons	0.4%	--
Homeless*	349 Persons	0.2%	--

Source: American Community Survey, 5-Year Estimates, 2019, and Orange County Point in Time Count, Everyone Counts Report

*The Everyone Counts Report is updated annually. The most recent available data is from 2019.

1. Farmworkers include persons employed in agriculture forestry, fishing, and hunting



2022 HCD Income Thresholds Orange County

Household Size	Extremely Low Income (≤30% AMI)	Very Low Income (31–50% AMI)	Low Income (51–80% AMI)	Moderate Income (81– 120% AMI)	Above Moderate Income (>120% AMI)
4-person Area Median Income: \$119,100	Less than \$40,650	Up to \$67,750	Up to \$108,400	Up to \$142,900	Over \$142,900

Single food service worker with three children.
\$32,613 annual income.

Married construction worker with stay at home spouse and two children.
\$62,616 annual income.

Married sales worker and admin support worker with two children.
\$98,593 annual income.

Married school teacher and sales worker with two children.
\$123,649 annual income.



Employment Base

Top employment sectors 2019

1. Education services, health care, and social assistance (20%)
2. Professional, scientific, management, and administrative services (13%)
3. Retail (11%) and Manufacturing (11%)
4. Arts, entertainment, recreation, accommodation, and food services (10%)
5. Finance and insurance, and real estate and rental leasing (8%)

2022 HUD Orange County AMI \$119,100

Table 2-8: Mean Salary by Occupation in Orange County, 2020

Occupation	Salary
Management	\$139,225
Legal	\$147,030
Healthcare Practitioners and Technical	\$101,125
Architecture and Engineering	\$99,403
Computer and Mathematical	\$96,051
Life, Physical and Social Sciences	\$84,611
Business and Financial Operations	\$80,107
Education, Training and Library	\$72,247
Arts, Design, Entertainment, Sports and Media	\$65,620
Construction and Extraction	\$62,616
Community and Social Service	\$58,617
Protective Services	\$57,788
Installation, Maintenance and Repair	\$56,597
Sales	\$51,402
Office and Administration Support	\$47,191
Production	\$42,181
Transportation and Material Moving	\$38,010
Building, Grounds Cleaning, and Maintenance	\$35,880
Farming, Fishing and Forestry	\$34,876
Healthcare Support	\$34,790
Personal Care and Service	\$34,724
Food Preparation and Serving Related	\$32,613



Source: California Employment Development Division, Occupational Wage data, 2020.

Housing Costs

Huntington Beach Rental Market

- Average cost of a rental unit increased by 31% from 2014 (\$1,829) to 2020 (\$2,401)
- Extremely low, very low, and low-income households cannot afford market rate rentals without substantial cost burden
- Moderate income households at the upper levels of the income limit (\$115k+) can generally afford market rates

Huntington Beach For-Sale Market

- Median home value \$771,100 (2019)
- All income groups cannot afford market rate ownership without substantial cost burden



Who in Huntington Beach Needs Affordable Housing?

- People who work in City and cannot afford to live here
Teachers, nurses, retail,
hospitality, childcare providers
- Special needs households
Seniors, disabled persons,
single-parent households
- Children of long-time Huntington Beach residents



What is Affordable Housing in HB?



What is Affordable Housing in HB?



HCD Review & Certification

- Housing Element one of the 7 state mandated elements of the General Plan
- On an 8-year update cycle
- HCD is tasked with reviewing and certifying Housing Elements compliance with Housing Element law
 - Submitted 1st Draft HE to HCD in December 2021 following 60 day public review period
 - Submitted 2nd, 3rd, 4th, and 5th Drafts to HCD following 7 day public review period
- **Received substantial compliance letter from HCD on September 30, 2022**



Benefits of HCD Certification

- Presumption of a legally adequate Housing Element
- HCD expanded enforcement authority via AB72 (2017) can refer non-compliant jurisdictions to State Attorney General's Office
- Potential penalties for a noncompliant Housing Element:
 - Moratorium on all development/building permit issuance
 - Loss of local land use authority
 - Fines of up to \$100,000 per month
- Eligibility for State funding programs for housing, transportation and infrastructure that require a compliant Housing Element:
 - Community Development Block Grant Program
 - Infill Infrastructure Grant Program
 - Local Housing Trust Fund Program
 - Affordable Housing and Sustainable Communities Program
 - Permanent Local Housing Allocation Program
 - Caltrans Sustainable Communities Grant Program
- RHNA carry over to the next planning period. Carry over would be in addition to any new RHNA units for 7th Cycle.



Housing Goals & Programs

Section 4: Housing Plan includes 40 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.



2021 – 2029 Huntington Beach RHNA

Income Category	% of Median Family Income	2022 Annual Income Range		RHNA Allocation (Housing Units)
		Min.	Max.	
Very Low Income	0 - 50% MFI	--	\$67,750	3,661 units
Low Income	51 – 80% MFI	\$67,751	\$108,400	2,184 units
Moderate Income	81 – 120% MFI	\$108,401	\$142,900	2,308 units
Above Moderate Income	>120% MFI	\$142,901	>\$142,901	5,215 units
Total:				13,368 units

RHNA Strategy

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA Target	3,661	2,184	2,308	5,215	13,368
Approved/Pending Projects	17	285	82	1,371	1,755
ADU	307		170	10	487
Hotel/Motel Conversion	415		0	0	415
Total	1,024		252	1,381	2,657
RHNA Met?	NO		NO	NO	NO
Remaining RHNA	4,821		2,056	3,834	10,711

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
 - Assume less than max. density



Adequate Sites Program

Required to meet lower income RHNA

Housing Element law requirements

- 20% lower income = residential permitted by right
- Allow min. “default density” of 30 du/acre = zoning for lower income RHNA
- Must allow exclusively residential uses
- Site capacity for 16 units
- May include non-residential zoned sites that can be rezoned for residential uses



Adequate Sites Program Overview

RMH Rezoning	Affordable Housing Overlay
ZMA No. 22-001	GPA No. 22-001 (Land Use Element & Land Use Map)
	ZMA No. 22-002 (Affordable Housing Overlay)
	ZTA No. 22-008 (HBZSO)
	ZTA No. 22-009 (BECSP)
	ZTA No. 22-007 (Holly Seacliff SP)
	ZTA No. 22-006 (Ellis Goldenwest SP)

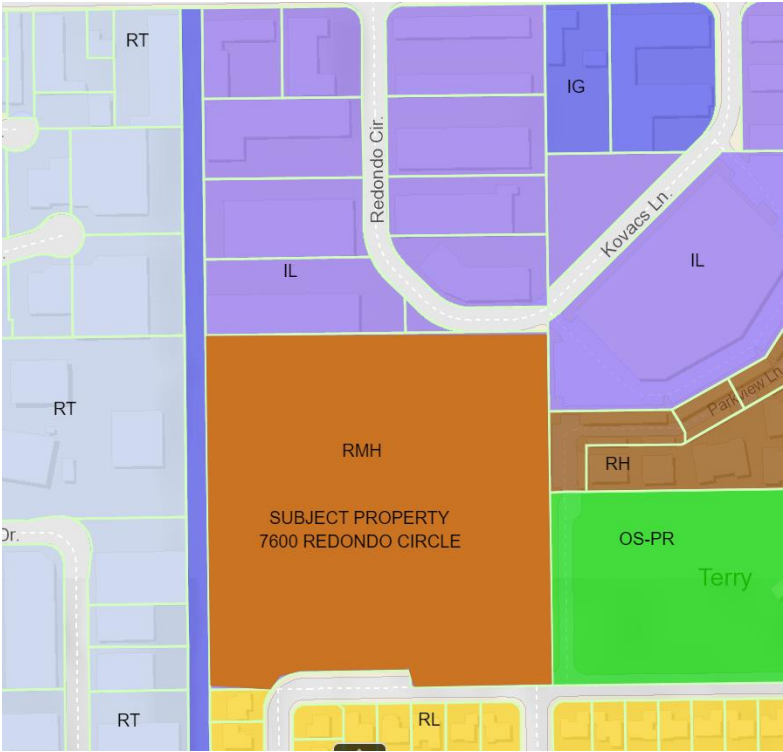
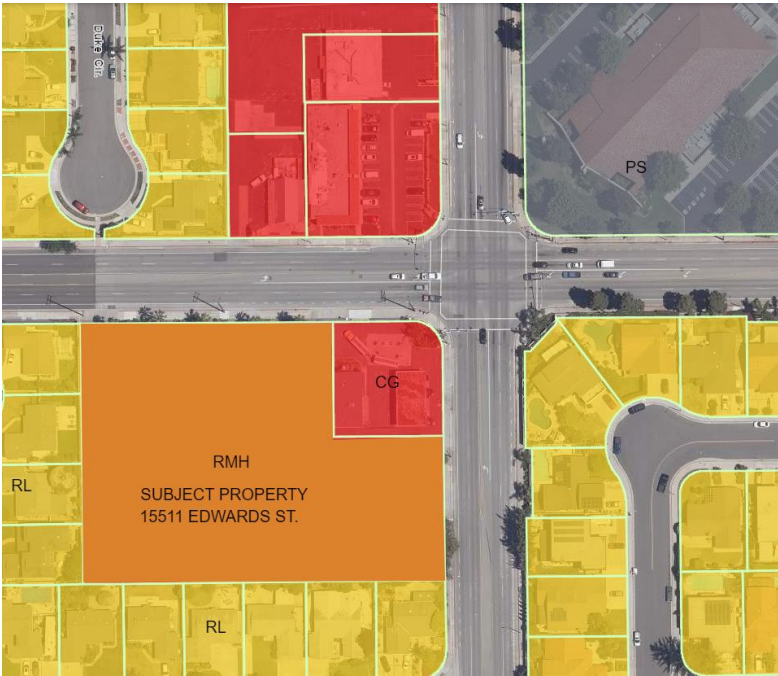


RMH Rezoning (ZMA No. 22-001)



Frontier Yard

Chuck E. Cheese



Reliable Lumber

RMH Rezoning (ZMA No. 22-001)

- Accommodates 428 units
- RMH allows up to 25 du/acre
- Credit toward moderate and above moderate (market rate) RHNA
- Subject to RMH zoning standards and process in HBZSO
- Sites selected because:
 - Property owner interest to develop during planning period
 - Underutilized
 - Access to services, jobs, retail, schools and parks
 - Large sites under single ownership

Affordable Housing Overlay

- **GPA No. 22-001**
 - Amends Land Use Element and Land Use Map to establish the Affordable Housing Overlay
- **ZTA No. 22-008**
 - Establishes new Overlay zoning district in HBZSO (Chapter 229)
 - Max. 70 du/ac
 - Standards allow for development at proposed density per state law
 - Must provide 20% low income on site
 - Sunsets at end of 6th cycle
- **ZMA No. 22-002**
 - Designates Affordable Housing Overlay on non-Specific Plan sites
- **Properties retain base land use & zoning**

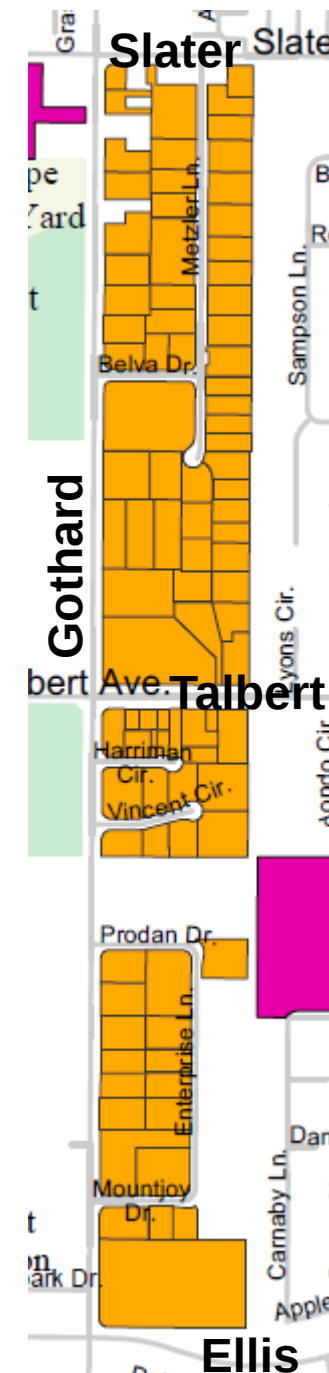
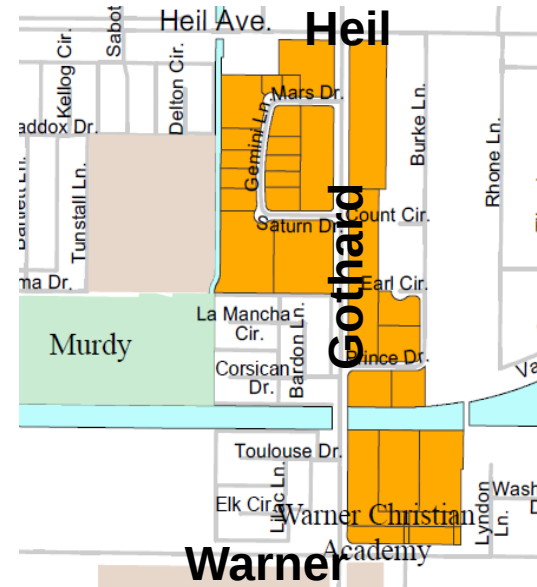


Affordable Housing Overlay (ZMA No. 22-002) – Gothard Corridor

- Existing Zoning: RT
- Proposed Zoning: RT with Affordable Housing Overlay

Housing Element identifies sites due to potential for redevelopment during the planning period

- Underutilized properties
- Potential lot consolidation
- Access to services, jobs, retail, schools, parks



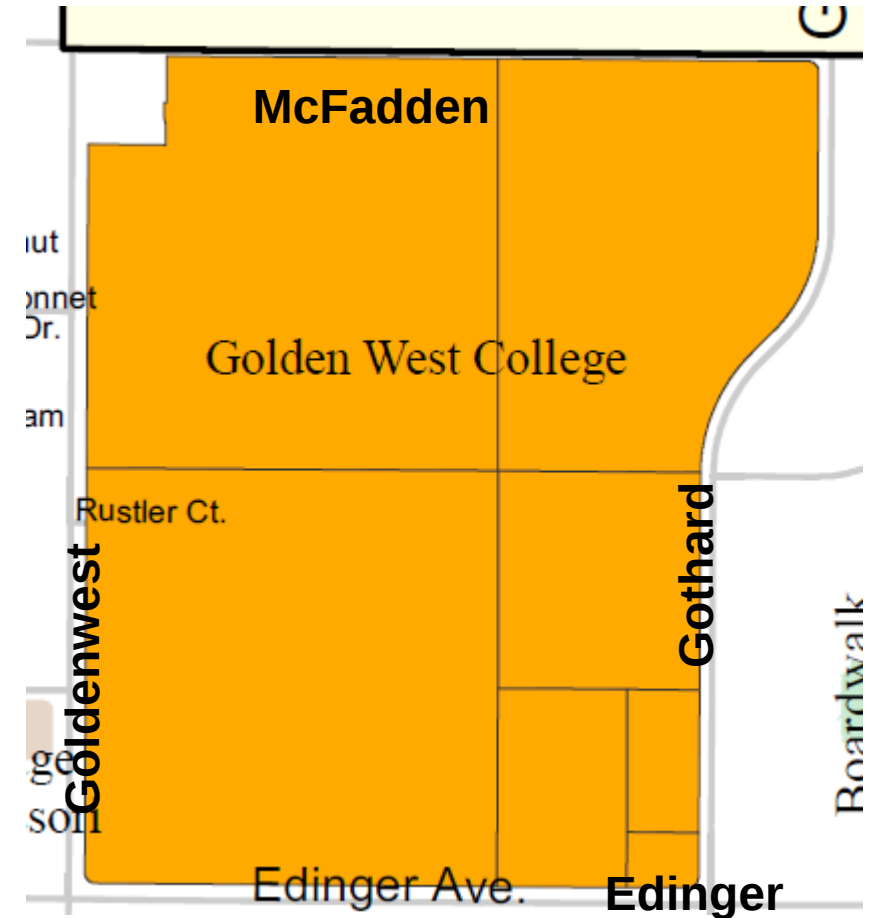
Affordable Housing Overlay (ZMA No. 22-002) - Golden West College

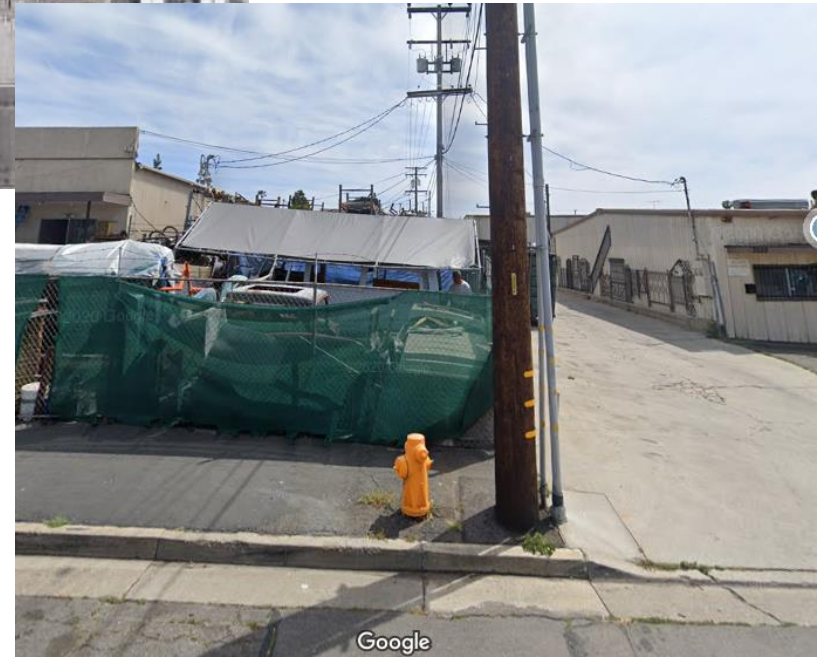
Existing Zoning: PS

Proposed Zoning: PS with Affordable Housing Overlay

Housing Element identifies sites due to potential for development during the planning period

- GWC intent to construct housing in 2030 Master Plan
- Large area under single ownership
- Access to services, jobs, retail, schools, parks
- TCAC High Resource Area

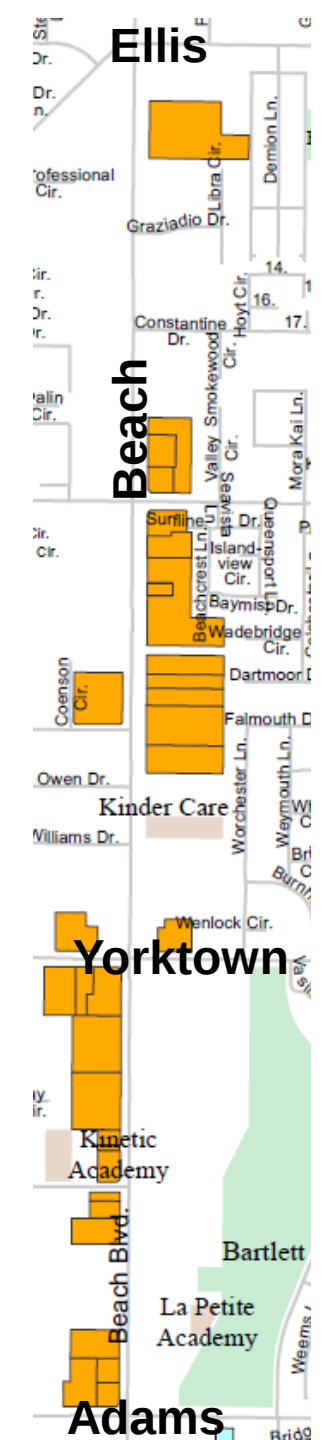
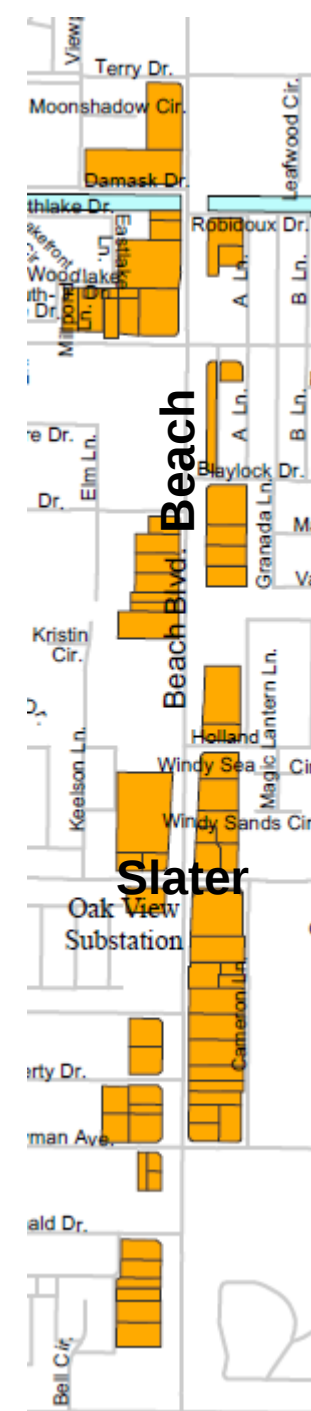
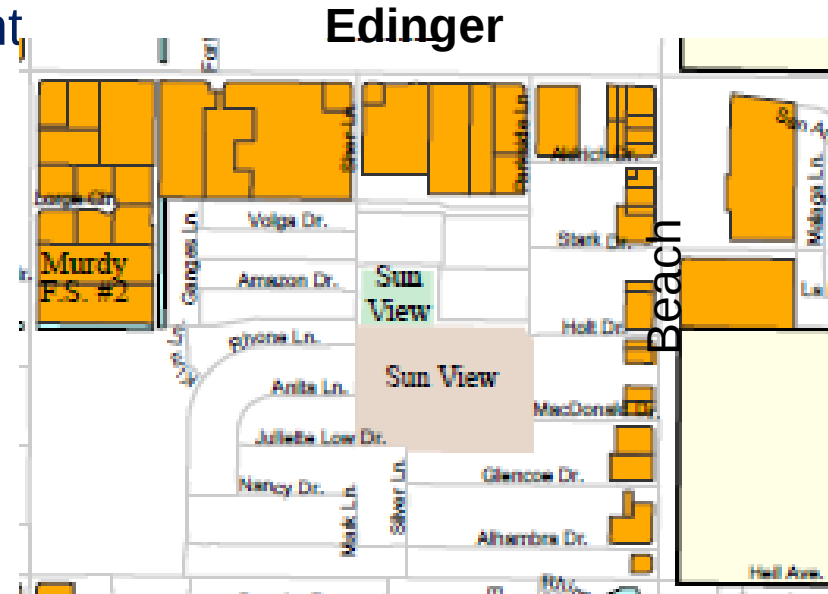




BECSP Affordable Housing Overlay (ZTA No. 22-009)

Housing Element identifies sites due to potential for development during the planning period

- Underutilized commercial
- Potential lot consolidation
- Access to services, jobs, freeway
- Expands existing Affordable Housing Overlay in BECSP
- Applies to all BECSP properties that allow residential uses
- No changes to existing BECSP standards





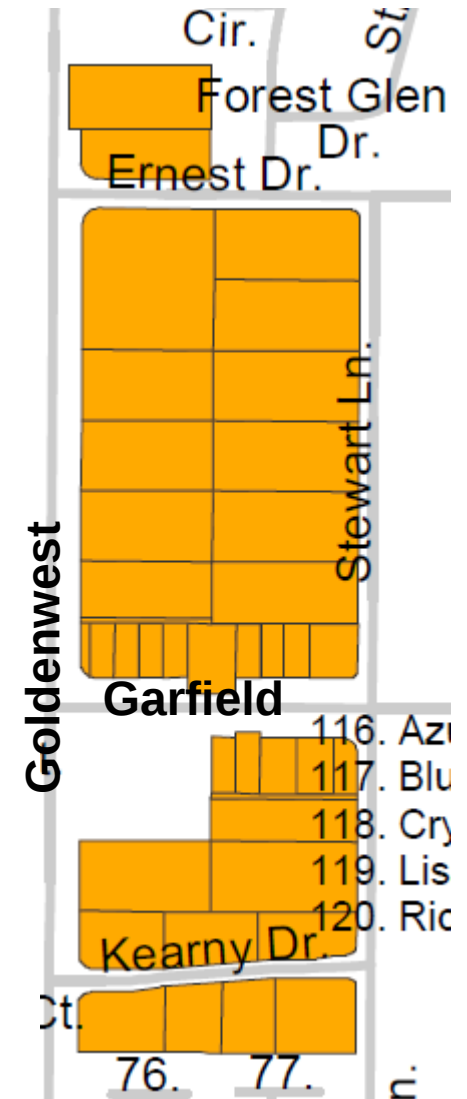
Affordable Housing Overlay Holly Seacliff Specific Plan (ZTA No. 22-007)

Existing Zoning: SP9 – I

Proposed Zoning: SP9 – I with Affordable Housing Overlay

Housing Element identifies sites due to potential for development during the planning period

- Large area of oil properties
- Large areas under single ownership
- Access to services, jobs, retail, schools, parks
- Underutilized properties
- TCAC Highest Resource Area
- Proposed Ch. 229 Affordable Housing Overlay standards would apply



RH 30 Overlay

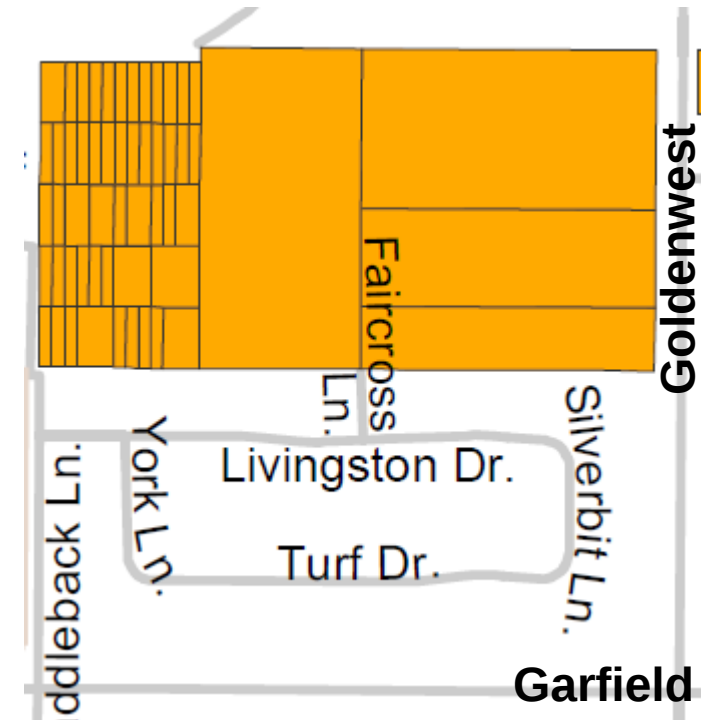
Ellis-Goldenwest Specific Plan (ZTA No. 22-006)

Existing Zoning: SP7 – RL3

Proposed Zoning: SP7 – RL3 with RH30 Overlay

Housing Element identifies sites due to potential for development during the planning period

- Large areas under single ownership
- Underutilized
- Access to services, jobs, retail, schools, parks
- TCAC Highest Resource Area
- RH standards comparable to existing SP7 standards; max building height: 35' for RH and existing SP7





Housing Element Implementation Actions

- The Housing Element is **not** a construction mandate
- No development or construction is proposed on any site
- Affordable Housing Overlays **do not change** the base zoning of any property – everything that is currently allowed will still be allowed
 - Adds allowance for multi-family residential development if 20 percent of the units are affordable

RHNA Strategy

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA Target	3,661	2,184	2,308	5,215	13,368
Approved/Pending Projects	17	285	82	1,371	1,755
ADU	307		170	10	487
Hotel/Motel Conversion	415		0	0	415
Rezoning Sites	0		128	300	428
Affordable Housing Overlays	5,477		2,620	9,785	17,882
Total	6,501		3,000	11,466	20,967
RHNA Met?	YES		YES	YES	YES

Affordability Assumptions & No Net Loss

- Affordability Assumptions
 - City owned sites: 100% lower income
 - 30 du/ac: 30% lower income, 15% moderate income, 55% above moderate – [Affordable Housing Overlay sites](#)
 - <30 du/ac: 30% moderate income, 70% above moderate – [Rezoning sites](#)
- Affordability assumptions consider that some sites will be developed as 100% affordable (lower income) projects & some sites will increase affordability to utilize density bonus
- **No Net Loss** means that the City must maintain sites to accommodate the RHNA by income level throughout the planning period
- HCD recommends a 15% to 30% buffer

Draft Subsequent Program EIR & Significant and Unavoidable Impacts

- Impacts – EIR analyzes 15 topical impact areas
- In CEQA terms, impacts categorized as:
 - No impact
 - Less than significant
 - Less than significant with incorporation of mitigation measures
 - Potentially significant
 - Significant and Unavoidable
- Significant and Unavoidable Impacts
 - Air Quality
 - Greenhouse Gas Emissions
 - Hydrology and Water Quality
 - Noise
 - Utilities and Service Systems



Final Subsequent Program EIR & Statement of Overriding Considerations

- Final Subsequent Program EIR includes:
 - Draft EIR
 - Comments on the Draft SEIR
 - Responses to comments on the Draft SEIR
 - Text changes to the Draft SEIR
 - Mitigation Monitoring and Reporting Program
- Statement of Overriding Considerations
 - If the lead agency determines that it is infeasible to mitigate a significant environmental impact, the agency must adopt a Statement of Overriding Considerations
 - Lead agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment



Recommendation

Approve the following requests with findings and forward to the City Council for consideration:

- Subsequent EIR No. 22-002 with findings of fact and statement of overriding considerations (analyze the potential environmental impacts associated with the Housing Element Update)
- General Plan Amendment No. 21-003 (Housing Element Update)

Implementation Actions

- General Plan Amendment No. 22-001 (General Plan Land Use Element Affordable Housing Overlay)
- Zoning Map Amendment No. 22-002 (Zoning Map Affordable Housing Overlay)
- Zoning Text Amendment No. 22-008 (HBZSO Chapter 229 Affordable Housing Overlay)
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Conclusion

Questions?