



City of Huntington Beach

File #: 20-1470

MEETING DATE: 3/16/2020

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Ursula Luna-Reynosa, Director of Community Development

Subject:

Receive and file the monthly status update on the 6th cycle Regional Housing Needs Assessment process

Statement of Issue:

During the July 15, 2019, City Council Study Session, Community Development staff presented an overview of the 6th Cycle RHNA process and related items of information as directed by the City Council. At the end of the study session, the City Council requested monthly updates on the status of the 6th Cycle RHNA process. This update provides a summary of what has occurred since the last monthly update on February 18, 2020.

Financial Impact:

There is no fiscal impact.

Recommended Action:

Receive and file the monthly Regional Housing Needs Assessment (RHNA) process status update.

Alternative Action(s):

Provide alternative direction to staff.

Analysis:

On February 24, 2020, the SCAG RHNA Subcommittee recommended approval of the SCAG staff (and HCD approved) RHNA methodology to the Community, Economic, and Human Development Committee (CEHDC) and Regional Council. During the March 5, 2020 CEHD meeting, the discussion focused on an alternative RHNA methodology proposed by the City of Cerritos. This methodology would have resulted in 4,000 less RHNA units for the City of Huntington Beach. After a lengthy discussion, there was a motion, seconded by Council Member Posey, to approve the Cerritos methodology and apply the residual units region-wide (rather than countywide), which would further reduce the City's RHNA number. The motion narrowly failed on a tie vote. Another motion was then made to approve a recommendation to the Regional Council to continue action on the final RHNA methodology and direct SCAG staff to analyze a hybrid methodology, which would result in a lower

RHNA number for Huntington Beach similar to the Cerritos methodology, and have another discussion with HCD regarding the regional determination of 1.3 million units. The motion was approved with Mayor Semeta and Council Member Posey, who both serve on the CEHD, voting in support of the recommendation.

Later that same day, during the Regional Council meeting, the SCAG staff recommended (and HCD approved) RHNA methodology was approved by a vote of 41-23. Mayor Lyn Semeta, representing Huntington Beach, voiced her objections to the flawed regional determination and methodology during the meeting and voted no on the item. The final approved methodology will result in a RHNA allocation of 13,337 units for the City of Huntington Beach. It is anticipated that the required 45-day appeal period will be April 10, 2020 through May 25, 2020. The City Attorney's office has already retained expert consultants to assist the City with its appeal. Staff from the City Attorney's office and Community Development Department will meet with them on March 10, 2020 to begin preparing the City's appeal.

City of Huntington Beach 6th Cycle RHNA (based on the March 5, 2020 Regional Council vote)

Income Category	Number of Units
Very-low income (< 50% AMI)	3,651
Low income (50-80% AMI)	2,179
Moderate income (80-120% AMI)	2,303
Above Moderate/Market rate (> 120% AMI)	5,204
Total RHNA	13,337

City Council Ad-Hoc RHNA Committee

The City Council RHNA Committee held its first meeting on February 19, 2020. Mayor Semeta, Mayor Pro-Tem Hardy and Council Member Brenden participated in the meeting along with City staff. The first meeting provided an overview of the RHNA methodology and the RHNA appeals procedures for the City Council committee members. Now that the RHNA methodology has been finalized, the next meeting will focus on the City's appeal strategy as well as legislative and legal options along with developing a plan for the 6th cycle Housing Element update.

Environmental Status:

The filing of a status update on the 6th Cycle RHNA process is not a project as defined by Section 15378 of the CEQA Guidelines and is not subject to CEQA.

Strategic Plan Goal:

Non-Applicable - Administrative Item

Attachment(s):

1. City of Huntington Beach letter - March 5, 2020 SCAG Regional Council meeting