



City of Huntington Beach

File #: 23-183

MEETING DATE: 3/21/2023

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Al Zelinka, City Manager

VIA: Ursula Luna-Reynosa, Director of Community Development

PREPARED BY: Nicolle Aube, AICP, Senior Management Analyst

Subject:

Consider and direct staff to forward the 2022 Housing Element Annual Progress Report to the California Department of Housing and Community Development and the Governor's Office of Planning and Research

Statement of Issue:

State law requires cities and counties to prepare a Housing Element Annual Progress Report (APR) to track progress made on their respective Housing Element implementation efforts. The APR is due to HCD and OPR by April 1 every year to provide data on the prior calendar year. City staff has prepared Huntington Beach's APR for calendar year 2022 for the City Council's consideration. Filing an APR is required in order to continue receiving Permanent Local Housing Allocation funds (PLHA) for homelessness response programs, in addition to other regional and state funds. Pursuant to Government Code Section 65913.4(4)(a), proposed housing developments are entitled to SB 35 streamlining (ministerial approval) if the City fails to submit the APR by the April 1 deadline for two consecutive years.

Financial Impact:

There is no financial impact to filing the APR. By meeting this and other eligibility requirements, the City may continue to apply for eligible state and regional grant funds.

Recommended Action:

Approve the 2022 Housing Element Annual Progress Report and direct staff to submit the 2022 Housing Element APR to the California Department of Housing and Community Development and Governor's Office of Planning and Research.

Alternative Action(s):

Do not approve the 2022 Housing Element Progress Report and direct staff accordingly. Pursuant to Government Code Section 65913.4(4)(a), proposed housing developments are entitled to SB 35 streamlining (ministerial approval) if the City fails to submit the APR by the April 1 deadline for two

consecutive years.

Analysis:

The Housing Element APR represents a state-mandated report that details the City's progress implementing the Housing Element in a given year. The APR lists entitlements received for housing projects, building permits issued, and associated affordability of the new units for the 2022 calendar year. In 2022, the City issued building permits for the construction of 85 market rate (above moderate income) housing units, 32 moderate income units, 39 low income units, and 127 very low income units. Permits were issued in 2022 for the Project Homekey and Jamboree Senior Housing projects, which assisted the City in making progress towards its lower income RHNA.

The City continues to see a year over year increase in accessory dwelling unit (ADU) permits, which also assists the City in meeting its lower income RHNA targets. In 2022, the City issued permits to construct 91 ADUs. ADU affordability is based on a HCD approved survey conducted by SCAG for use by SCAG jurisdictions. As such, ADUs contributed to meeting a portion of the very low and all of the low income RHNA units produced in 2022.

Staff has prepared the report utilizing the forms adopted by HCD in accordance with the California Code of Regulations. A copy of the report is provided as Attachment No. 1. Upon approval by City Council, staff would submit the APR to the Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR), as required under Section 65400 of the California Government Code.

Environmental Status:

The Housing Element Annual Progress Report is exempt under Section 15061(b)(3) of the CEQA guidelines, which exempts activities where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

Strategic Plan Goal:

Non Applicable - Administrative Item

Attachment(s):

1. 2022 Housing Element Annual Progress Report