DATE: July 6, 2023

TO: Planning Commissioners

John Guertin, City Manager

FROM: Denise Duffy, DD&A, Housing Element Planning Consultant

SUBJECT: Status Report Housing Element Update 6th Cycle

The following provides a status report on the 6th Cycle Housing Element Update (HEU) process for the July 12, 2023 Planning Commission meeting.

Background

The Regional Housing Needs Allocation (RHNA) for the 6th Cycle was confirmed in October 2022. RHNA is mandated by state law and quantifies needed housing within each jurisdiction during the specified planning periods or cycles. The 6th cycle RHNA for the City is 184 units, with assigned 53.26% for low and very-low income (98 units). On March 28, 2023, the City Council approved a contract for DD&A to undertake the needed work to complete the City's 6th Cycle Housing Element Update. A series of workshops and public meetings were held in March and May, 2023 as more fully described below.

6th Cycle Required Content

Key components of the housing element are set forth under State law (California Government Code Sec. 65583 et seq) and related land use regulations related to housing. The Draft 6th Cycle Housing Element will include the following components:

- 1. Background Information: A housing needs assessment which identifies and analyzes the existing and projected housing needs within the City by examining demographic, employment, and housing trends and conditions, with attention paid to special housing needs (e.g., seniors, large families, persons with disabilities).
- 2. Constraints on Housing Analysis: An analysis of existing and potential governmental and nongovernmental barriers to housing development.
- 3. Housing Resources: An inventory of resources relevant to meeting the City's housing needs, including a sites inventory for available land to accommodate the RHNA.
- 4. Housing Plan: A statement of goals, policies, quantifiable objectives, and financial resources available for the preservation, improvement, and development of housing.
- 5. Evaluation of Past Performance: Review of the previous Housing Element to measure progress and effectiveness of housing and outreach policies and programs.
- 6. Public Participation: Public outreach and community engagement program, to include all

- economic segments of the community including any underrepresented groups.
- 7. Sites Inventory: Identify locations of available sites to ensure there is enough land zoned for housing to meet the future need at all income levels.
- 8. Affirmative Further Fair Housing (AFFH): Assembly Bill 686 was passed in 2018 as the statewide framework to affirmatively further fair housing (AFFH) to promote inclusive communities, further housing choice, and address racial and economic disparities through government programs, policies, and operations.

Public Review

The Public Review Draft 6th Cycle Housing Element Update was published on May 26, 2023. The City published notification of the availability of the draft on the City's website and provided notification via email blast and direct mail. The notice identified the purpose of a housing element and how to provide comments for the 6th Cycle Housing Element prior to the 30-day review period close of June 26, 2023. The 6th Cycle Draft Housing Element Update is available on the City's website at: https://www.delreyoaks.org/commdev/page/6th-cycle-public-review-draft-housing-element-update-may-2023.

Sites Inventory

The City must demonstrate in its Housing Element the ability to meet its RHNA allocation, through the provision of sites suitable for residential development. To meet the assigned housing needs, the Housing Element must identify sites that may be suitable for residential development, including vacant and non-vacant sites throughout the City. The City is required to specify the projected housing type/density for each identified site. State law requires that adequate sites for RHNA be available for the entire duration of the Housing Element planning period. Drafts of the site inventory analysis were discussed during the March meetings. The draft inventory was presented during the May 3rd, May 9th and May 17th public workshops and hearings. Information for the Sites Inventory selection may be found in Chapter 3 and Appendix C of the draft 6th Cycle Housing Element.

Public Participation

The City conducted public workshops and hearings on the City's 6th Cycle Update on March 16th and March 28th prior to initiation of the 6th Cycle Update. Additional workshops were conducted on May 3rd, and May 9th. At the May 3, 2023 and May 9, 2023 workshops, available sites for affordable housing and existing programs were discussed. Additional public input was sought during the Planning Commission meeting on May 17, 2023. The presentation on May 17, 2023 provided the inventory of available sites presented on May 3rd and May 9th.

Policies and Programs

The May meetings above also addressed policies and programs of the draft plan. Per the required Housing Plan, Item 4, above, guidance provides that a housing plan is a *statement of goals, policies, quantifiable objectives, and financial resources available for the preservation, improvement, and development of housing*.

The May 9th joint workshop with Planning Commission and City Council provided a review of programs. The Planning Commission reviewed programs from the 5th and 6th cycle and provided input on retaining the programs and new programs. The meeting was publicly noticed, and the programs and PowerPoint were provided in a staff report also posted on the City's website. ¹ Information for the draft policies and programs for the 6th cycle may be found in Chapter 7 of the Draft.

AFFH

The draft Housing Element identifies requirements for AB 686, or Affirmatively Furthering Fair Housing (AFFH). A full AFFH analysis may be found in Appendix A. HCD requires integration of fair housing actions into policies and programs.

HCD Review Requirements

The statutory deadline for completing the update of the Housing Element for the 6th cycle planning period is December 15, 2023. This tight timeline necessitates early development, review, and collaboration of the documentation. The above 30-day public comment period provides local early input. Once submitted to HCD, HCD requires a 90-day review period for their review of the submitted draft.

The 30-day local public review has now closed and DD&A and the City will be considering revisions based upon comments². Planning Commissioners are encouraged to review the letters prior to the July 12th meeting which will include discussion of the revised programs requests. After revisions, the HCD Review Draft will be submitted to HCD for their required review period of 90 days. Upon completion of HCD review, requested revisions from HCD on the draft will guide the document revisions. It is advantageous to submit a draft for HCD review as early as possible so that timely subsequent reviews may occur.

Next Steps

- Planning Commission Status Report on July 12, 2023 Public Meeting
- Prepare revisions to the draft document and submit Draft Housing Element Update to HCD (July 2023).
- HCD Mandatory Review of Draft Housing Element (90 days)
- Required revisions: After receipt of HCD review comments, provide update to Planning
 Commission and City Council and address HCD comments. As needed, prepare updated Draft,
 and submit to HCD for review and continue to work with HCD on revisions and meeting
 statutory deadline during review.
- Planning Commission/City Council hearings HEU Adoption (Fall and Winter 2023).

¹ March 28th handouts provided current programs. May 9th City Council/Planning Commission Workshop, and May 17th Planning Commission staff report attachments and presentation included 5th Cycle and draft 6th Cycle revised programs.

² Two comment letters were received on the 6th Cycle draft HEU and are posted on the City's website: https://www.delreyoaks.org/cityhall/page/del-rey-oaks-housing-element