

# City Council Agenda Report

Meeting Date: September 5, 2023  
From: Daniel S. Wall, P.E., Director of Public Works  
Department: Public Works  
Submitted by: Daniel S. Wall, P.E., Director of Public Works

## Subject

2021-2029 Housing Element Update

## Recommendation

A. Find that the proposed adoption of a Housing Element Update complies with the California Environmental Quality Act (CEQA) because a Final Program Environmental Impact Report (PEIR) was prepared for the Westside Zoning Code Amendments and on July 18, 2023, the City Council adopted Resolution No. 2023-16 certifying the Final PEIR State Clearinghouse No. 2022040458; and  
B. Adopt Resolution No. 2023-20 approving and adopting an amended General Plan (2021-2029 Housing Element Update).

## Background

Every eight years, the State of California requires local governments to update their housing elements to plan for the housing needs of the greater community. The California Department of Housing and Community Development (HCD) reviews every local government's housing element to determine whether it complies with State law. Under HCD's guidelines, the Housing Element process involves the following steps for cities to follow:

1. Update the previous housing element (complete)
2. Submit draft to HCD for review and revise as necessary (complete)
3. Adoption by the City Council (this proposed action)
4. Submit adopted housing element to HCD (to be completed upon adoption)

The City Council's adoption of the Housing Element will complete step 3 of the Housing Element Update (HEU) process. The following summarizes the City's progress during each step.

### Step 1. Update the previous Housing Element (complete)

The HEU process proceeded in parallel with the Westside Zoning Code Amendments recently adopted by the City Council allowing new residential development opportunities in four districts along Santa Fe Avenue and Pacific Boulevard. On December 8, 2021, an initial draft of the HEU was presented to the Vernon Housing Commission (VHC), which conceptually agreed with the goals of the draft HEU. The VHC subsequently recommended the City Council adopt the Westside Zoning Code Amendments at its July 12, 2023, special meeting (Vice Chair Nevarez, and Commissioners Froberg and Ybarra absent).

The public comment period for the December 8, 2021 draft HEU was held from January 26 to February 25, 2022. The draft HEU was available on the City's website and notice was sent to City Councilmembers, Housing Commission members, residents, Vernon Village Park Apartments manager, Bell Salvation Army, Los Angeles Homeless Services Authority, Housing Rights Center, and the South Central Los Angeles Regional Center. The City received one public comment during the public comment period.

### Step 2. Submit draft HEU to HCD for review and revise as necessary (complete)

On February 24, 2023, a revised draft HEU was submitted to HCD for review and comment. The revisions in this draft were non-substantive in nature and reflected the changes in the Westside Zoning Code Amendments. HCD provided technical comments which were incorporated into the May 3, 2023 draft of the HEU. In addition to HCD review, each draft was made available for public review and comment. The final draft being presented to the City Council was made available for public review and comment from May 3, 2023 through May 10, 2023. No public comments were received. This draft was then submitted to HCD for review and comment, and no further revisions were deemed necessary by HCD.

#### Step 3. Adoption by the City Council (the proposed action)

Adopt Resolution No. 2023-20 approving and adopting the HEU. The adoption of an HEU requires that a California Environmental Quality Act (CEQA) analysis be conducted prior to action by the City Council. A Final Program Environmental Impact Report (PEIR) was prepared for the Westside Zoning Code Amendments. The PEIR evaluates the potential environmental impacts of the future development contemplated by the HEU. On July 18, 2023, the City Council certified the PEIR. Resolution No. 2023-20 documents the process carried out in the preparation and adoption of the City's HEU to meet applicable regulatory requirements.

#### Step 4 Submit adopted Housing Element to HCD (to be completed upon adoption)

After City Council adoption of the HEU, staff will submit the adopted HEU to HCD for certification ("certification" means that HCD finds the City Council adopted HEU is in substantial compliance with the State's legal requirements).

State law establishes extensive requirements for Housing Elements. One of the most difficult and important issues that must be addressed in the HEU is how City policies, plans and regulations help to accommodate the region's need for additional housing that is affordable to persons and families of all income levels as determined through the Regional Housing Needs Assessment process.

#### Regional Housing Needs Assessment (RHNA)

State law requires all cities to plan for additional housing to accommodate population growth and address existing housing problems such as overcrowding and housing cost burden. State law recognizes that cities generally do not build housing, since that is typically the role of the private sector. However, cities are required to adopt policies, and development regulations and standards to encourage a variety of housing types to accommodate households at all income levels. The RHNA is the process by which each jurisdiction's share of new housing needs is determined. Prior to each Housing Element planning cycle the region's total housing need is established by HCD based upon economic and demographic trends, existing housing problems such as overcrowding and overpayment, and additional housing needed to ensure reasonable vacancy rates and replace units lost due to demolition or natural disasters. The total housing need for the SCAG region is then distributed to cities and counties by SCAG based upon criteria established in State law. In late 2019 HCD issued a RHNA determination of 1,341,827 additional housing units for the SCAG region during the 2021-2029 period. Following HCD's RHNA determination, SCAG prepared a methodology for allocating a portion of the total RHNA to each jurisdiction in the region consistent with criteria established in State law, and after a series of public hearings SCAG adopted the final RHNA Plan on March 4, 2021.

Vernon's RHNA allocation for the 2021-2029 period is nine units distributed among income categories as follows:

Very-low Income (<50% of AMI) - 5 residential units

Low Income (50-80% of AMI) - 4 residential units

The RHNA income categories correspond to the countywide median income. Affordable rents and estimated purchase prices are based on the State policy that households should not have to pay more than 30% of their gross income for housing. Affordability levels are adjusted each year and are based on family size.

The RHNA is a planning requirement based upon housing need, not a construction quota or mandate, nor a prediction of how much additional housing is expected to be built during the next 8 years. The significance of the RHNA is that jurisdictions must adopt land use plans and development regulations that could accommodate different types of housing commensurate with the RHNA allocation. The City through the Westside Zoning Code Amendments and the Public Works Department's streamlined and affordable building permit process meets its obligation to accommodate the construction of residential units to meet the housing need identified by the RHNA.

Resolution No. 2023-20 has been reviewed and approved as to form by the City Attorney's Office. Pursuant to Government Code Section 65090-65096, on August 24, 2023, the public hearing notice was posted at City Hall, and published in the Huntington Park Bulletin (Attachment 2. Notice of Public Hearing - Proof of Publication).

### **Fiscal Impact**

There is no fiscal impact associated with this report.

### **Attachments**

1. Resolution No. 2023-20
2. Notice of Public Hearing – Proof of Publication