Our Housing Element and RHNA

A BRIEF OVERVIEW AND UPDATE
FEBRUARY 20, 2020
Housing Element

• State mandated.
• Provides goals and policies to ensure an adequate supply of housing for all residents while maintaining a high quality of life.
• Updated every 8 years in response to Regional Housing Needs Assessment (RHNA) cycles.
• Includes inventory of housing opportunity sites.

CONSIDERATIONS

• Quality residential development
• Preservation, conservation, and appropriate redevelopment
• A variety of housing types, designs, and opportunities for all
Regional Housing Needs Assessment (RHNA)

- Mandated by State law, a representation of housing need for all income levels.
- General Plan and Housing Element must accommodate additional units at each income level.
- Housing units are not required to be physically constructed, but City must demonstrate it has planned for the required need.

GOALS OF RHNA

- Increase housing supply and mix of types
- Promote infill development and efficient development patterns
- Promote intraregional relationship between jobs and housing
- Affirmatively furthering fair housing
What is the RHNA process?

- HCD determined regional need of 1,341,827 units
- Develops one method for distribution to all local jurisdictions
- Identifies sites for potential housing development*, and updates GP and Zoning
CA Department of Housing and Community Development (HCD)

- Responsible for statewide regional determinations
- New units for October 2021 – October 2029 planning period (6th Cycle RHNA)

1,341,827 UNITS
Southern California Association of Governments (SCAG)

• Responsible for allocating HCD’s 1.342M unit determination to 197 individual jurisdictions in SoCal region

1,341,827 UNITS
SCAG: Method Development

1. SCAG released 3 methodology options for public review on Aug. 2, 2019 (NB Range: 2,336-5,292 units)

2. City actively participated and provided written comments during public hearings

3. SCAG and RHNA Subcommittee recommended adoption of new option on Oct. 7, 2019 (NB Estimate: 2,751 units)

4. SCAG Regional Council voted 43-19 to adopt alternative on November 7, 2019 (NB Estimate: 4,832 units)*

5. HCD reviews methodology and sends letter of concurrence to SCAG on Jan. 13, 2020

6. RHNA Subcommittee and SCAG Regional Council determine final methodology in Feb. and Mar. 2020
SCAG’s Current Method

Projected Need

- Household growth (2020-2030)
- Future vacancies
- Replacement need

Existing Need

- Household growth (2030-2045)
- Proximity to transit and jobs
- Residual unit allocation

Total Need

- NB: 4,832 units

Total:

- NB: 320 units
- NB: 4,512 units

Results in 183,425 new units in Orange County
- Examples: Irvine – 23,555; Huntington Beach - 13,337; Costa Mesa - 11,727; and Laguna Beach - 393
# Newport Beach Unit Composition

How will the 4,832 units be distributed across income levels?

<table>
<thead>
<tr>
<th></th>
<th>Very Low Income</th>
<th>Low Income</th>
<th>Moderate Income</th>
<th>Above Moderate Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>After Required 170% Social</td>
<td>1,451 units</td>
<td>927 units</td>
<td>1,048 units</td>
<td>1,406 units</td>
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<tr>
<td>Equity Adjustment</td>
<td></td>
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<tr>
<td>Income Limit (4-person</td>
<td>$59,350</td>
<td>$94,950</td>
<td>$117,500</td>
<td>$117,501+</td>
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<tr>
<td>household)</td>
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2021-2029 Housing Element

• Due to HCD October 15, 2021

• How do we plan for 4,832 new units?
  • Identify sites for potential housing development (vacant or underutilized)
  • Increased density to encourage redevelopment
  • Other ideas?
Planning Considerations

• Identifying areas where we think housing is appropriate is one form of input, but other considerations at play.
  ❑ Proximity to:
    ✓ Transit
    ✓ Jobs
    ✓ Commercial areas
    ✓ Parks and open space
  ❑ Mix of density and affordability
  ❑ Adequate infrastructure
  ❑ Re-use of previous housing opportunity sites
Where do you think Newport Beach could accommodate required housing growth?
Consequences of Non-Compliance

Missed Deadline
- 4-year cycle instead of 8-year cycle

Rezone Requirement
- Provide for by-right project approval if the project provides 20% lower-income units
- Minimum density 20 units/acre required

Rollover unaccommodated needs into next HE cycle

Court Orders
- Obtain HCD Certification within 120 days
- Moratorium on permit issuance
- Mandated Rezoning

AB101 (GC Section 65585)
- Fines $10K-600K/month
- State Controller may intercept local funds if fines not paid
“Firmly challenge, yet plan to comply.”

- Appeal to reduce City’s RHNA allocation
- Collaborate regionally
- Facilitate compliance with mandated deadlines and requirements
- Focus General Plan update on housing
Housing Exhibits

- Map of Potential Development Constraints - 02/04/2020

Letters Regarding the Regional Housing Needs Assessment (RHNA) Process

- Letter from Megan Kirkeby, Asst Deputy Director for Fair Housing to SCAG - Review of RHNA Methodology - 01/13/2020
- Letter from Mayor Will O’Neill to the Department of Housing and Community Development - 12/23/2019
- Letter from CDD Director Simone Juris to SCAG - Regional Council Agenda Item 4 - RHNA Methodology - 11/06/2019
- Letter from CDD Director Simone Juris to the Community Economic and Human Development Committee - Agenda Item 1 - Recommended Draft RHNA Methodology - 10/21/2019
- Letter from CDD Director Simone Juris to SCAG - Comments on Proposed 6th Cycle RHNA Methodology - 09/13/2019
- Letter from CDD Director Simone Juris to SCAG - Support of SCAG Objection to HCD 6th RHNA Cycle Allocation - 09/04/2019
- Letter from CDD Director Simone Juris to Community Economic and Human Development Policy Committee - 06/05/2019
- Letter from CDD Director Simone Juris to RHNA Subcommittee - 06/03/2019

Legislative Position Letters

- Letter to Assemblywoman Petrie-Norris - Request for Legislative Amendments to Enable Local Compliance with State Housing Laws - 02/14/2020
- Letter to Senator Moorlach - Request for Legislative Amendments to Enable Local Compliance with State Housing Laws - 02/14/2020
- Letter to Senator Wiener - Oppose Unless Amended SB 50 (Wiener) Planning and Zoning Housing Development Incentives - 01/22/2020
- Letter to Governor Gavin Newsom - Request for Veto AB 68 (Ting) Accessory Dwelling Units - 09/30/2019
- Letter to Governor Gavin Newsom - Request for Veto AB 1763 (Chiu) Density Bonuses: Affordable Housing - 09/26/2019
- Letter to Governor Gavin Newsom - Request for Veto SB 13 (Wieckowski) Accessory Dwelling Unit - 09/24/2019
- Letter to Governor Gavin Newsom - Request for Veto SB 330 (Skinner) Housing Crisis Act of 2019 - 09/24/2019
- Letter to Governor Gavin Newsom - Request for Signature SB 5 (Beall/McGuire/Portantino) Affordable Housing and Community Development Investment Program - 09/23/2019
- Letter to Governor Gavin Newsom - Oppose Unless Amended AB 881 (Bloom) Accessory Dwelling Units - 09/16/2019

External Reference Links

Housing and Community Development (HCD)

- RHNA and Housing Elements Info
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www.newportbeachca.gov/housingactionplan
Thank you! Questions?