

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 12/18/06		Item Number: <u>A-2</u>	
AGENDA ITEM: Regional Housing Needs Assessment (RHNA) Status Update Report.			
Contact Person/Dept.: Susan Yun and Tevis Barnes		Phone Number: (310) 253-5755 and (310) 253-5782	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒	Attachments: ☐
Public Notification: Master Notification List (12/14/06).			
Department Approval: Susan Evans (12/11/06)		City Manager Approval: Jerry Fulwood (12/14/06)	
City Controller Approval: Marlee Chang (12/14/06)			

RECOMMENDATION:

Staff recommends the City Council receive and file the Regional Housing Needs Assessment (RHNA) status update report.

BACKGROUND:

The Southern California Association of Governments (SCAG) is responsible for allocating minimum new housing unit numbers, known as Regional Housing Needs Assessment (RHNA) to all jurisdictions within its area. RHNA numbers for the entire SCAG region are determined by the State of California Housing and Community Development (HCD) Department and reflects the HCD's assessment as to how many new units are required in order to provide adequate housing for the expected increase in the State's population. The RHNA numbers are further divided by affordability, that is, very low, low, moderate, and above moderate income levels.

Local jurisdictions are responsible for demonstrating they have the capacity to build their share of the RHNA numbers. This translates into HCD's requirement that they review all Housing Elements in the State. RHNA numbers are usually allocated every five years, meaning that Housing Elements must be reviewed by the HCD every five years.

The key issue that HCD reviews when looking at Housing Elements (as well as supporting documentation such as Land Use elements and Zoning Maps) is whether or not a local jurisdiction can demonstrate they have adequate General Plan Housing and Land Use Element policies, goals and objectives and sufficient Zoning to absorb the number of units expected to be built over the given RHNA cycle.

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Recently, SCAG issued draft RHNA numbers to all jurisdictions within the SCAG region. These RHNA numbers are still being fine tuned by SCAG staff with final draft numbers scheduled for approval in February of 2007 and final RHNA allocations numbers set around July of 2007.

At this time, staff is presenting to the City Council, a RHNA status update with no official recommendation other than receiving and filing as background information for future actions.

Also, staff anticipates coming back to the City Council to request a budget allocation to pay for a housing consultant that can assist the City in drafting a Housing Element in response to Culver City's share of RHNA numbers.

DISCUSSION:

Below is a bullet point synopsis of where the SCAG region is at in the RHNA process, including milestone dates.

- On November 2, 2006, at SCAG's CEHD Committee Meeting, the draft RHNA was issued. The total draft RHNA number for Culver City is 499 units over a 6 year RHNA cycle (2008 – 2014).

Draft RHNA numbers for the other Westside Cities are: Beverly Hills – 444, Santa Monica – 669, West Hollywood – 609, Unincorporated – 1,226.

"Credit" can be taken for housing built between the last cycle and the start of the new one [3-year gap period (2005-2008)]. The prior RHNA cycle covered the period 1998-2005. Culver City's RHNA was 650 units.

Fare share adjustment (110% towards the County distribution in each of the 4 income categories) for Culver City:

Very Low:	25.6% of 499 or 128 units
Low:	15.9% of 499 or 79 units
Moderate:	16.8% of 499 or 84 units
Above:	41.6% of 499 or 208 units

- On November 3, 2006, SCAG held a workshop with Westside Cities staff to gather input on the draft RHNA numbers and is seeking feedback from Cities for further refinement before adopting the draft RHNA numbers on February 1, 2007.

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- On December 14, 2006, SCAG Regional Council will hold a meeting to discuss Appeals Policy and/or Trade and Transfer Policy. No action will be taken on the draft RHNA numbers that day.
- On January 11, 2007, SCAG is tentatively scheduling a RHNA methodology follow up Public Hearing (12 p.m. to 7p.m.) to allow additional input from local jurisdictions.
- On February 1, 2007, SCAG Regional Council will make final decision on draft RHNA numbers and approve Appeal policies. Comments can be received up to February 1, 2007, BUT the sooner the better. Appeal process begins February 1, 2007.
- On or about June/July of 2007, the Regional Council will have considered all appeals and adopt Final RHNA numbers.
- On June 30, 2008, City approved Draft Housing Element is due to the State HCD.

Housing Element:

The RHNA has always been the legal basis for jurisdiction's Quantified Objectives in the Housing Element, and is also used to determine whether there is sufficient supply of vacant or underutilized land to accommodate the residential growth reflected in RHNA.

Recent amendments to State housing law give the RHNA much more importance, however. The most significant change in law requires that if the analysis of available sites for housing (the "land inventory") does not demonstrate adequate capacity to accommodate the RHNA for all income levels, then jurisdictions must rezone sufficient land to meet the shortfall and the rezoned sites must allow development "by right". State HCD interprets "by right" to mean no discretionary review (e.g. Conditional Use Permit) and no additional CEQA review. The important consideration is that the RHNA now has more "teeth" and can directly lead to the requirement to rezone land for high-density housing. Failure to follow through could result in judicial intervention in the local land use planning process.

Although the Housing Element update is not due until June 30, 2008, critical steps that will have major consequences for the Housing Element are now underway. It is important that Culver City review the preliminary RHNA to determine whether it is reasonable in relation to City conditions, plans and policies and if not, provide

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feedback to SCAG as soon as possible. A recent law, AB 2158, set forth a list of factors that may be used to support a request for modification to RHNA numbers (the “2158 factors”). Local feedback to SCAG regarding the preliminary RHNA and residential growth potential should be based on these factors, which includes such things as physical constraints (slope, floodplains, critical habitats, etc.) and land ownership (parkland, land owned by other government entities, etc.). SCAG has broken down the RHNA forecast into traffic analysis zones (TAZ) and has requested that feedback provide a similar level of detail supported by 2158 factors rather than general comments.

FISCAL ANALYSIS:

No fiscal analysis at this time. However staff will return to the City Council to request a budget allocation to pay for a housing consultant that can assist the City in drafting a Housing Element.

ATTACHMENTS:

No Attachments.

MOTION:

That the City Council receive and file the Regional Housing Needs Assessment (RHNA) status update report.