

## CITY COUNCIL AGENDA ITEM NO. G.4 03/12/2024

**SUBJECT**: Review and approval of the Housing Element Annual Progress

Report for calendar year 2023.

**DEPARTMENT**: Community Development Department

**STAFF:** Alexis Morris, Director of Community Development

Erik Nolthenius, Planning Manager Jennifer Hagen, Senior Planner

### TITLE/RECOMMENDATION

Adopt a resolution finding that the Annual Progress Report accurately reflects the Housing Element implementation for calendar year 2023; accepting the report as required by the State of California; and directing staff to forward the report to the Governor's Office of Planning & Research (OPR) and the State Department of Housing and Community Development (HCD).

#### FISCAL IMPACT

The Annual Progress Report is a State requirement. There is no fiscal impact associated with producing the report, other than staff time.

#### **BACKGROUND**

<u>Section 65400</u> of the California Government Code requires the City to file an annual report addressing the status of the Housing Element and progress made toward implementing its goals and policies. The report must be approved by the local legislative body through a resolution and submitted to HCD and OPR by April 1st of each year to show the status of implementation of the Housing Element goals, policies, and programs.

The Housing Element Annual Progress Report for 2023 is attached for City Council review. HCD has specific reporting requirements for the APR, including information contained in a series of standardized spreadsheet tables (completed tables are attached to this report). State housing legislation approved in 2017 and modified thereafter, including in 2023, requiring more detailed reporting and additional data to be submitted as part of the APR, is now in effect and is reflected in this Housing Element APR. Some of the new standardized tables required by HCD, particularly



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Table A2, are difficult to reproduce in a viewer-friendly manner. Staff has attempted to make the tables as clear as possible.

HCD requires reporting on the number of completed entitlements, housing unit permits issued, and housing permits finaled during the year, including the type of units (accessory dwelling units (ADUs), single-family, multi-family, etc.), and their affordability categories (very low-, low-, moderate- and above moderate-income) in order to gauge efforts towards meeting the City's share of its Regional Housing Needs Allocation.

In 2023, building permits were issued for 131 new residential housing units, including ADUs. This total included six very low-income ADU units, six low-income ADU units, and six moderate-income ADU units and 131 above moderate-income single-family units. In addition, one market rate unit was purchased by Richmond American Homes in accordance with the City's Affordable Housing Ordinance and resold as a deed restricted low-income unit to meet the affordable housing requirements for the Parkside Villas development (located south of Apricot Way and west of Fairview Avenue).

The number of ADU building permits issued in 2023 (18) surpassed the City's initial projection of 14 ADUs within the newest Housing Element. In 2023, except for the developer purchased and sold unit, all other affordable units were created through the creation of ADU's. The ADU affordability levels were determined based on the *Using ADUs to Satisfy RHNA Technical Memo*, produced by the Association of Bay Area Governments (ABAG) and included by reference within the City's Housing Element projections. In 2023, 200 residential units under construction were also finaled.

#### CITY COUNCIL STRATEGIC INITIATIVE

Not Applicable.

#### **PREVIOUS ACTION**

This is an annual item for the City Council.

#### **ALTERNATIVE OPTION(S)**

This is a State requirement, therefore staff does not recommend any alternatives to the recommended action.



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## ATTACHMENT(S)

- 1. City Council Resolution 2023 Housing Element APR
- 2. 2023 Housing Element APR