



CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: JUNE 1, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MAUREEN TAMURI, COMMUNITY DEVELOPMENT DIRECTOR, AICP
MICHAEL KLEIN, SENIOR PLANNER, AICP *MAK*

SUBJECT: ANNUAL PROGRESS REPORT FOR 2019 REGARDING THE CITY OF CALABASAS 2030 GENERAL PLAN 2014-2021 HOUSING ELEMENT

MEETING DATE: JUNE 10, 2020

SUMMARY RECOMMENDATION:

Receive and file the attached annual progress report for 2019 regarding the City of Calabasas 2030 General Plan 2014-2021 Housing Element.

BACKGROUND:

California Government Code § 65400 (b) requires filing of an annual progress report regarding the Housing Element of the General Plan for all cities and counties. The annual report must be delivered to the City Council, the State Office of Planning and Research, and the California Department of Housing and Community Development ("HCD"). This agenda item meets the statutory requirements.

The 2008-2014 Housing Element was adopted by City Council on December 10, 2008 as part of the City's 2030 General Plan update, and the Element was approved and certified as being compliant with State housing law by HCD on April 23, 2009. That Housing Element was updated and replaced by the 2014-2021 Housing Element on September 11, 2013, and the Element was approved and certified as being compliant with State housing law by HCD on July 19, 2013. The attached 2019 Annual Progress Report (Attachment A) was prepared based on the

2014-2021 Housing Element and the 5th Regional Housing Needs Allocation (RHNA) cycle.

DISCUSSION/ANALYSIS:

Summary of Production: The attached progress report summarizes residential building activity, 5th cycle RHNA progress, and progress of housing program implementation for the calendar year of 2019. The report was prepared on forms provided by HCD, using definitions adopted by HCD. Previous reports had focused primarily on the issuance of building permits; however, HCD has adopted new reporting requirements that now include tracking the status of new housing development projects. In other words, the state has begun collecting data on what kind of housing projects are submitted to local jurisdictions and which projects are either approved, approved with less units than permitted, or denied.

Table A2 of the progress report (which is replicated below) documents all residential building activity, based on building permits issued from January 1 to December 31 of 2019.

2019 Building Activity (Table A2)	
Income Category	New Units Constructed in 2019
Very Low	0
Low	0
Moderate	0
Above Moderate	10
TOTALS:	10

The Entitlement Activity Table of the progress report (replicated below) documents all proposed new residential housing development activity, based on projects that received entitlements from January 1 to December 31, 2019. Note that entitled projects do not count towards progress of meeting RHNA.

2019 Entitlement Activity (Summary Table)	
Income Category	New Units Entitled in 2019
Very Low	0
Low	0
Moderate	0
Above Moderate	12
TOTALS:	12

Table B of the progress report (which is replicated below) documents the total number of residential units that have received building permits during the City’s 5th cycle RHNA, since the reporting period began in 2014.

2014-2019 Building Summary (Table B)			
Income Category	Assigned RHNA	New Units Constructed 2014-2018	Remaining RHNA
Very Low	88	12	76
Low	54	0	54
Moderate	57	8	49
Above Moderate	131	179	0
TOTALS:	330	199	179

As stated in the table above, there have been 199 new residential units constructed in the City between 2014 and 2019. Because 179 of those units were above moderate income, the surplus of those units cannot serve as a substitute for the affordable category units. Therefore, there are 179 units remaining to be built in the 5th RHNA cycle.

The twelve (12) units identified above in the “Very Low” income category are in the Avanti and Paxton developments, while the units identified in the “Above Moderate” income category are a combination of new market-rate condo/townhouse units, single-family dwellings and Accessory Dwelling Units (ADUs). Per HCD criteria, an ADU may only be counted as affordable if there is a long term covenant or the property owner has provided evidence that the ADU will be rented at an affordable rate or occupied without rent.

Housing Element Programs Implementation: Under CA Housing law, each jurisdiction is required to identify specific programs in its housing element that will allow it to implement the stated policies and achieve the stated goals and objectives. Programs shall include specific action steps that the jurisdiction will take to implement its policies and achieve its goals and objectives. Programs shall also include a specific timeframe for implementation, identify agencies responsible for implementation, and (whenever possible) identify measurable outcomes. The City is required to include its progress towards achieving these programs in the annual Housing Element progress report to HCD.

Consistent with the above requirements, the City’s 2014-2021 Housing Element identifies strategies and programs that focus on: 1) conserving and improving existing housing; 2) providing adequate housing sites; 3) assisting in the provision

of affordable housing; 4) removing governmental constraints to housing development; and 5) promoting fair and equal housing opportunities. The following table from the progress report identifies the City’s programs for these categories, and our progress towards implementation of each program.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Housing Conservation and Maintenance			
Single-family Rehabilitation Program	Assist 5 households annually, for 40 units over the planning period.	2014-2021	The City continues to provide Residential Rehabilitation assistance utilizing Community Development Block Grant, (CDBG) funds. The City provided assistance to seven (7) households in 2019, for a total of \$85,824.
Home Repair Program	Coordinate with code enforcement to identify low/mod homeowners and provide loans on as needed basis.	2014-2021	No qualifying homes have yet been identified. However, the City Council has allocated up to \$500,000 from the City's Affordable Housing Trust Fund to provide loans (up to \$100,000) for homeowners to make repairs necessary to bring substandard properties into conformance with the Calabasas Building Code.
Rental Assistance Program	Provide ongoing assistance to 50 households, contingent on funding.	2014-2021	The City continued to provide monthly subsidies to 48 residents through 2019. The subsidies increased from \$228/month to \$241/month in October 2019.
Rental Registration Program	Continue to maintain the rental database.	Update the database on an annual basis.	Annual rent information provided by apartment owners is entered into the City's rental database in July of every year, and reported to the City Council.
Mobile Home Park Preservation	Provide tenants information on MPROP funding as appropriate.	2014-2021	Staff continues to work with Park management to keep tenants informed about the CDBG Residential Rehabilitation program.
Preservation of Assisted Housing	Preserve affordable units that are at-risk of going to market rate, due to expiration or termination of bond obligations, and will undertake the following steps: 1) conduct economic analysis; 2) meet with property owner; 3) explore outside funding/ program options; and 4) provide technical assistance to tenants.	2014-2021	The City had identified 140 affordable units at Malibu Canyon at risk of going to market rate because the associated bonds were set to expire in 2016. Subsequently, the City was informed in 2017 of Avalon Bay’s intent to pay off their bond early, putting an additional 120 affordable units at risk of going to market rate. While the City was unsuccessful at preserving the affordable units at both properties, the City followed the steps outlined in the program in order to attempt to preserve the units. In both cases, staff conducted an economic analysis to determine the cost of buying down the rents, and determined that was not a viable option because the City’s Affordable Housing Trust Fund would be exhausted in less than two years. The City contacted both property owners prior to the expiration of the bonds to

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
			discuss options for preserving the affordable units. Malibu Canyon was not interested in preserving the units. After meeting with staff to discuss options for preserving units, Avalon Bay submitted an initiative to construct 161 new market rate units and preserve 80 affordable units. The initiative was not approved by the voters at the March 3, 2020 election. Staff researched funding opportunities, including assistance from LA County, for both properties, but could not find enough funding that would provide long term preservation. Finally, staff has been available to provide assistance to each tenant for their rights, and has proactively updated the City's website to include resources for tenant rights and other affordable housing options within the City and the region.
Condominium Conversion Ordinance	Implement the City's current ordinance. Evaluate strengthening to require inclusionary units in projects approved for conversion.	Complete review/ revision of ordinance by 2015.	The City continues to implement the current Ordinance. No progress has been made regarding revisions to the Ordinance.
Variety of Housing Sites			
Residential Sites Inventory	Provide information on available sites and incentives to developers. Monitor impact of max 20 du/acre densities on feasibility, and modify as appropriate.	Maintain sites inventory ongoing. Report impacts of max. densities in Annual Housing Element Report to HCD.	Staff continues to maintain the sites inventory. Annual Housing Element progress reports are underway.
Second Units	Re-evaluate second unit standards and educate public on availability. Prepare design guidelines and sample site plans. Seek to achieve 12 new second units.	2015	Complete. The City has updated its second unit ordinance in response to state legislation regarding Accessory Dwelling Units. As a result, more than 12 new second units have been permitted since 2014.
Annexation of Unincorporated Areas	Pursue phased annexation of adjacent unincorporated areas.	2014-2021	In December 2013, the City Council approved a Resolution to initiate proceedings related to the annexation of Craftsman Corner. In May 2014, Council directed staff to initiate LAFCO proceedings related to the annexation of West

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
			Agoura Road and pre-zoned the territory accordingly. In January 2019, LAFCO denied the City request to annex West Agoura Road, which would have helped the City provide a more sustainable workforce/job balance.
Development of Affordable Housing			
Inclusionary Housing Ordinance	Provide developers with information on available options and incentives to fulfill inclusionary requirements. Identify specific projects and programs for expenditure of in-lieu fee revenues.	Identify programs in Housing Element (2013) for Housing Fund. Develop & disseminate Affordable Housing brochure (2014).	The Inclusionary Housing ordinance is available to the public on the City's website via the link to our updated Municipal Code. On July 25, 2013 the Planning Commission approved a mixed-use project, which includes 80 condominium units, 8 of which are one-and two-bedroom affordable units. Qualified tenants moved into these units in 2017. A townhouse project on Las Virgenes Road is currently under construction, 4 of the 78 units are deed restricted for very low income qualified tenants.
Commercial/Industrial Impact Fee Program	Provide developers with information on available options and incentives to fulfill inclusionary requirements. Identify specific projects and programs for expenditure of in-lieu fee revenues.	Identify programs in Housing Element (2013) for Housing Fund.	Staff continues to provide developers with information regarding the inclusionary requirements. Programs for expenditure of funds were identified in the 2014-2021 Housing Element.
Affordable Housing Development Assistance	Provide financial, regulatory and site identification assistance in support of affordable housing, with the goal to achieve one project in planning period.	Develop project concept and issue RFQ in 2018	Scheduled for future reporting period.
Green Building	Implement Green Initiative and promote the City's Green Building Program.	2014-2021	The City continues to implement the Green Building Ordinance.
Removal of Constraints to Housing			
Density Bonus Program	Promote density bonus incentives via dissemination of the Affordable Housing brochure.	Develop and disseminate Housing brochure in 2014.	Density Bonus information is provided by staff to all project applicants with qualifying projects.
Development Code Amendment	Amend the Code to reduce separation requirement between shelters to 300 feet.	2014	Amendment not yet initiated.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Equal Housing Opportunities and Special Needs			
Fair Housing Program	Contract with the Housing Rights Center (HRC) to promote open and fair housing practices, and to facilitate communication between tenants and landlords. Assist in program outreach through referrals and distribution of educational info.	2014-2021; Include fair housing information in Affordable Housing brochure in 2014.	The City has contracted with HRC to promote open and fair housing practices. Information has been made available on the City's website.
Universal Design/Visit ability	Provide housing that is physically accessible to people of all abilities.	2014-2021	All new multi-family projects are designed to meet current ADA requirements. Planning continues to approve modifications of private residences to provide physical access, i.e. ramps and elevators.
Senior Housing Opportunities	Actively pursue senior housing opportunities and housing support services. Consult with senior housing and gerontology experts to assist in adequately planning for the community's senior citizens.	2014-2021; Begin consultations in 2014.	On November 28, 2012, the City Council approved moving forward with preliminary design and cost estimate for a senior center on the Civic Center property. Construction of the new senior center commenced in 2015. The new Senior Center opened in June 2016.
Housing Opportunities for Persons Living with Disabilities	Work in cooperation with the NLACRC to publicize information on available resources for housing and services. Pursue State and Federal funds available for supportive housing and services in future affordable housing projects.	Publicize NLACRC resources in 2014; Evaluate funding resources at least annually; Pursue funding at least once during planning period in conjunction with affordable projects.	Evaluation initiated.

Affordable Housing Update: The City Council received a report regarding the expiration of affordable housing units in the City of Calabasas (see attachment B) on September 25, 2019. The only substantial change that has occurred since that report is the failure of Measure N at the March 3, 2020, election, which would have preserved (for 55 years) 80 out of 120 affordable units at Avalon Bay that went to market rate in 2018. While the City offers funds for residential rehab, and Rental Assistance, these programs do not satisfy the City’s obligation for producing new affordable housing units under RHNA. The following tables identify currently available affordable housing and the number of available affordable housing units over the past 10 years in the City. Note that only long-term government restricted units qualify as affordable housing under RHNA.

Current Affordable Housing:

Name	Address	No. of Units	Income Level	Expiration Date
Avanti	23500 Park Sorrento	8	Very Low Income	2046
Canyon Creek	4803 El Canon	75	Very Low Income	2066
Paxton	4240 Las Virgenes Rd	4	Very Low Income	2048*
Total:				87 units

*Under construction, anticipated to be complete by December 2020.

Number of Affordable Housing Units from 2010 to 2020:

Year(s)	Name	No. of Units	Income Level	Total
2010 - 2011	Malibu Creek	14	Moderate Income	274
	Malibu Canyon	140	Very Low/Moderate Income	
	Avalon Bay	120	Very Low/Moderate Income	
2012-2013	Malibu Creek	14	Moderate Income	349
	Malibu Canyon	140	Very Low/Moderate Income	
	Avalon Bay	120	Very Low/Moderate Income	
	Canyon Creek	75	Very Low Income	

2014 - 2015	Malibu Canyon	140	Very Low/Moderate Income	335
	Avalon Bay	120	Very Low/Moderate Income	
	Canyon Creek	75	Very Low Income	
2016 - 2019	Avalon Bay*	120	Very Low/Moderate Income	203
	Canyon Creek	75	Very Low Income	
	Avanti	8	Very Low Income	
2020	Canyon Creek	75	Very Low Income	87
	Avanti	8	Very Low Income	
	Paxton**	4		

* The LACDC Bond requiring the affordable units was paid off in September of 2018, and is no longer in effect. The County Board of Supervisors approved \$600,000 in funding to provide a temporary rent subsidy to remaining tenants until the end of 2019.

** Under construction, anticipated to be complete by December 2020.

FISCAL IMPACT/SOURCE OF FUNDING:

None

REQUESTED ACTION:

That the City Council receive and file the attached 2019 annual progress report regarding the 2014-2021 Housing Element of the 2030 General Plan.

ATTACHMENTS:

Attachment A: 2019 Annual Housing Element Progress Report
Attachment B: Affordable Housing Staff Report