



CITY of CALABASAS
CITY COUNCIL AGENDA REPORT

DATE: MARCH 20, 2023

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM: MICHAEL KLEIN, COMMUNITY DEVELOPMENT DIRECTOR, AICP
TOM BARTLETT, CITY PLANNER, AICP
JACLYN RACKERBY, ASSOCIATE PLANNER**

**SUBJECT: ANNUAL PROGRESS REPORT FOR 2022 REGARDING THE CITY OF
CALABASAS GENERAL PLAN 2021-2029 HOUSING ELEMENT**

MEETING DATE: MARCH 29, 2023

SUMMARY RECOMMENDATION:

Receive and file the attached annual progress report for 2022 regarding the City of Calabasas General Plan 2021-2029 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 That Housing Element was updated and replaced by the 2014-2021 Housing Element on September 11, 2013, and on July 19, 2013 the updated Housing Element was approved and certified by HCD as being compliant with State housing law.

Subsequently, in accordance with State law and responsive to the 6th Regional Housing Needs Allocation (RHNA) cycle, the City’s Housing Element was updated again. The new 2021-2029 Housing Element was adopted by the City Council on September 28, 2021 (later amended and readopted on April 13, 2022), and the updated Housing Element was approved and certified by HCD as being compliant with State housing law on April 25, 2022.

The attached 2022 Annual Progress Report (Attachment A) was prepared based on the 2021-2029 Housing Element and the 6th Regional Housing Needs Allocation (RHNA) cycle.

DISCUSSION/ANALYSIS:

Summary of Production: The attached progress report summarizes residential building activity, 6th cycle RHNA progress, and progress of housing program implementation for the calendar year of 2022 and throughout the 6th Cycle planning period. The report was prepared on forms provided by HCD, using definitions adopted by HCD. In addition to tracking progress towards RHNA through the issuance of building permits, HCD collects data on the different types of housing projects submitted to local jurisdictions and which housing projects are either approved, approved with fewer units than permitted under the applicable zoning, or denied.

Table A 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, 2022. Note that entitled projects do not count towards progress of meeting RHNA because RHNA performance is reported on the basis of building permits.

2022 Entitlement Activity (Table A)	
Income Category	New Units Entitled in 2022
Very Low	0
Low	0
Moderate	0
Above Moderate	12
TOTALS:	12

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 2022.

2022 Building Activity (Table A2)	
Income Category	New Units
Very Low	0
Low	0
Moderate	4
Above Moderate	2
TOTALS:	6

Table B of the progress report (which is replicated below) documents the total number of residential units that were issued building permits during the City’s 6th cycle RHNA, since the reporting period began in 2021.

2021-2029 Cumulative Building Summary (Table B)			
Income Category	Assigned RHNA	New Units Permitted 2021-2022	Remaining RHNA
Very Low	132	0	132
Low	71	0	71
Moderate	70	15	55
Above Moderate	81	4	77
TOTALS:	354	19	335

As indicated in the table above, a total of 19 new residential units in the City were issued construction permits since the reporting period began in 2021. Therefore, 335 units remain to be built (permitted) in the 2021 – 2029 (6th RHNA) housing cycle.

The units identified in the “Moderate” and “Above Moderate” income category are a combination of new single-family dwellings and Accessory Dwelling Units (ADUs). Per HCD criteria, an ADU may be counted as affordable only 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 must include specific action steps that the jurisdiction will take to implement its policies and achieve its goals and objectives. Programs also must include specific

timeframes for implementation, identify agencies responsible for implementation, and identify measurable outcomes (whenever possible). The City is required to include in the annual Housing Element progress report progress made towards achieving these programs.

Consistent with the above requirements, the City’s 2021 - 2029 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 annual 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
Conserving the Existing Supply of Housing			
Single-family Rehabilitation Program	Assist 5 households annually, for 40 units over the planning period.	2021-2029	Due to continuing COVID shutdowns no rehabilitation projects were accomplished in 2022. Program implementation will resume in 2023.
Home Repair/ ADU Assistance Program	Coordinate with code enforcement to identify homes in need of substantial rehabilitation. Advertise funding availability for the creation of ADUs.	Advertise program annually in conjunction with monitoring under the Rental Registration Program.	Ongoing. No qualifying homes or ADUs have been identified in 2022.
Rental Assistance Program	Provide ongoing assistance to 50 households, contingent on funding.	2021-2029	Ongoing. The City continued to provide monthly subsidies to 50 residents through 2022. The subsidies increased from \$254/month to \$262/month in August 2022.
Rental Registration Program	Continue to maintain the rental database.	Update the database on an annual basis.	Ongoing. Annual rent information provided by apartment owners is entered into the City's rental database in July of every year, and was accomplished for 2022 as usual. Also, the data was reported to the City Council.
Mobile Home Park Preservation	Provide tenants information on MPROP funding as appropriate.	2021-2029	Ongoing. Staff continues to work with mobile home park management to keep tenants informed about the CDBG Residential Rehabilitation program. Regarding the State's MPROP funding availability - the tenants association has communicated to the City that they are not presently interested in acquiring the park.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Preservation and Monitoring of Assisted Housing	Establish annual monitoring procedures for rent restricted units provided through City incentives and/or financial assistance.	Establish monitoring procedures by 2022 and coord. annual monitoring with Rental Registration Program	Annual monitoring of rent-restricted affordable housing units is accomplished via administration of the City's Rental Registration Program. The information gathered for the 2022 Rental Registration Program report confirmed that the affordable units at each location continue to be inhabited by qualifying tenants and with appropriate rent amounts.
Condominium Conversion Ordinance	Implement the City's current ordinance to provide tenant protections and relocation assistance in the advent of a condominium conversion.	2021-2029	No condominium conversion initiatives were proposed for any rental housing properties in the City during this annual reporting period.
Provide Adequate Residential Sites			
Residential Sites Inventory	Provide information on available sites and incentives to developers. Update the CMU, RM-16 and RM-20 Land Use and Zoning designations to allow densities of 20 – 24 units/acre.	Update Land Use and Zoning categories in conjunction with Housing Element adoption (October 2021)	The City released a Notice of Funding Availability (for \$4.5 million) to accomplish affordable housing development on a property in the City, and the identified future housing sites were specifically mentioned. Staff also fields inquiries on a regular basis from housing developers, and we advise them of the identified future housing sites. The CMU, RM-16, and RM-20 zoning districts were updated to reflect the increased density limits immediately following adoption of the 2021 - 2029 Housing Element -- in September 2021.
Facilitate Development on Large Sites	Target production of 52 lower-income units on large sites.	Initiate meetings beginning in 2022. Achieve affordable units by 2029.	Staff has been in contact with the owners of the largest identified housing sites (Site #s 8, 11, and 12), concerning future housing development on their respective properties. In fact, dialogue with two of the property owners has been particularly frequent and highly focused on potential housing proposal submittals within the next one to three years. Dialogue with the owners of Site #2 was active in the 2018 - 2021 timeframe, but did not resume in 2022.
Affordable Housing Overlay (AHO)	Provide Incentives for affordable housing on designated sites: - Increased densities - Increased height - Increased FAR - Reduced open space	Adopt AHO in conjunction with adoption of the Element in 2021. Create Affordable Housing page	The City Council adopted an Affordable Housing Overlay (AHO) zoning district in October 2021; and readopted the AHO (slightly amended) in April 2022. An Affordable Housing webpage was created and is accessible via the City's website. The webpage includes links to the Housing Element, the AHO and density bonus

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
		on City website in 2022 with links to the AHO and other ordinances.	provisions of the City's Land Use and Development Code, as well as the City's other affordable housing programs. provisions of the City's Land Use and Development Code, as well as the City's other affordable housing programs.
Promote Accessory Dwelling Units (ADUs)	Initiate an education and marketing program for homeowners on the benefits of ADUs and the availability of City funds for ADU development. Develop ADU Design Workbook and pre-approvable construction plans. Achieve production of an average of 12 ADUs annually.	ADU marketing program (2022). ADU Design Workbook and Construction Plans (2023).	Created and posted on the City's website an ADU webpage which provides information about ADUs. Initiated research regarding an ADU design workbook and an associated set of pre-designed and Code compliant (e.g., approvable) plans for new ADUs, with intent to prepare and issue a final set of pre-approved ADU plans in 2023.
Track and Monitor Accessory Dwelling Units	Establish an ADU tracking system to track use and affordability; conduct a mid-cycle review and report to HCD. If actual production and affordability is far from projected trends, rezone an additional site (as may be necessary) to offset any lower income RHNA shortfall; if actual production and affordability is near projected trends, conduct expanded marketing and outreach.	Tracking system (2022). Conduct midcycle review in 2025, and as necessary, expand marketing within 6 months, or rezone within one year.	Starting in 2022 ADU permit information was added to the City's electronic permit tracking system.
Annexation of Craftsman Corner	Complete annexation of Craftsman Corner by October 2024. Should the annexation not be completed by this date, rezone additional sites as necessary to address the City's RHNA.	Oct-24	During this reporting period Planning staff reengaged LAFCO staff, and worked with counterparts in the City of Hidden Hills and the County of Los Angeles to complete a draft tax exchange agreement. The draft agreement, once finalized, will go to each entity's legislative body for approval, and following that the reorganization (annexation) will move on to LAFCO for consideration. We currently anticipate concluding annexation by the end of 2023.
Development of Affordable Housing			

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Inclusionary Housing Program	Provide developers with information on available options and incentives to fulfill inclusionary requirements.	2021-2029	The Inclusionary Housing ordinance is available to the public on the City's website via the link to our updated Municipal Code.
Commercial/Industrial Impact Fee Program	Generate funds to assist in providing affordable housing opportunities to Calabasas' workforce.	2021-2029	Ongoing. Staff continues to provide developers with information regarding the affordable housing mitigation fee requirements. The 2021-2029 Housing Element includes programs for expenditure of funds collected via this program and the associated ordinance.
Affordable Housing Development Assistance	Allocate \$1 million in Affordable Housing Funds towards construction of affordable senior housing, and issue a Request for Proposal (RFP) for development on one of the AHO sites. Pursue funding under the DR-MHP Program.	Issue RFP in 2022. Submit project application to DR-MHP program by December 2022.	The RFP (actually released as a Notice of Funding Availability or NOFA), was issued in October 2022 and subsequently re-issued in December. The City garnered a \$3.257 million grant from the DR-MHP program, to which the City added \$1.2 million for a total available amount of approximately \$4,457,000. The NOFA specifically identified the Housing Element future housing development sites as potential (preferred) project locations.
Green Building	In conjunction with adoption of the new State Building Energy Efficiency Standards (Energy Code) in 2022, prepare an updated Green Building Checklist and provide to building applicants upon inquiring about project development.	Adopt updated Green Building Code in 2022 and provide checklist to building applicants.	The City continues to implement the Green Building Ordinance. The checklist has not yet been updated, although we intend to accomplish the update in 2023.
Removing Governmental Constraints			
Density Bonus Program	Promote density bonus and other regulatory incentives in conjunction with discussions with development applicants.	Create Affordable Housing page on City website in 2022 with links to the Density Bonus Ordinance, AHO, IHO and ADU ordinances.	An "Affordable Housing" page on City website has been in place for some time now, and it is continually updated. Links to the Density Bonus Ordinance, as well as the AHO, IHO and ADU ordinances, are provided.
Zoning Text Amendments for	Modify zoning standards for transitional and supportive housing, and	Amend the Development	These Code updates were delayed and are set for completion in 2023.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Special Needs Housing	emergency shelters consistent with current State law.	Code by 2022.	
Adaptive Reuse of Office Space	Research modified standards utilized in other jurisdictions to facilitate office conversions. Adopt modified standards as appropriate.	Adopt modified standards as appropriate by 2023.	Nothing to report for the 2022 reporting period.
Objective Design Standards and Streamlined Development Review	Adopt Objective Design and Development Standards for multifamily and mixed-use development projects. Eliminate the Community Forum requirement on Housing Element sites.	Amend the Municipal Code to eliminate Community Forums on Housing Element sites (2022) and incorporate objective standards (2023).	In April 2022 the City Council approved a Code update to eliminate Community Development Forums for designated housing sites in the 2021 - 2029 Housing Element. Initiated background research for preparation of objective design standards; the updated design standards are programed for completion and adoption in 2023.
Promoting Equal Housing Opportunities			
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.	By 2022, provide multilingual Fair Housing brochures at City Hall, the Library and Community Center, and incorporate fair housing information on the City's website.	Fair housing inquiries continue to be referred to the Los Angeles County Housing Rights Center. The City provides links to the Housing Rights Center and LA County Department of Consumer & Business Affairs on its website.
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.	Pursue supportive housing funding at least once during planning period in conjunction with affordable projects.	No funding was pursued in 2022.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Senior Housing Opportunities	Adopt incentives for development of senior housing in the AHO (2021), and commit Housing Trust Funds and issue an RFP for affordable senior housing on one of the AHO sites (2023).	Adopt AHO in 2021. Issue RFP by 2023.	The Affordable Housing Overlay (AHO) ordinance was adopted originally in October 2021, and subsequently readopted (with amendments) in April 2022. The AHO includes incentives for new senior housing development. The affordable housing development RFP (actually released as a Notice of Funding Availability or NOFA), was issued in October 2022 and subsequently re-issued in December, offering approximately \$4,457,000 in support of a new housing project, and senior housing development (to include affordable units) is specified as a qualifying housing type in the NOFA.

Affordable Housing Update: The City Council received a report regarding the status of rental rates and affordable housing units in the City of Calabasas on February 22, 2023. While the City offers funds for Residential Rehabilitation, and Rental Assistance, these programs on their own do not satisfy the City’s obligation for producing new affordable housing units under RHNA, as implemented through HCD. The following tables identify currently available affordable housing in the City. (Note that only long-term government-restricted units qualify as affordable housing under RHNA.)

Current Deed-restricted Affordable Housing Units in Calabasas				
Name	Address	# 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

FISCAL IMPACT/SOURCE OF FUNDING:

None

REQUESTED ACTION:

That the City Council receive and file the attached 2022 annual progress report regarding the 2021-2029 Housing Element of the 2030 General Plan.

ATTACHMENTS:

- Attachment A: 2022 Annual Housing Element Progress Report to HCD
- Attachment B: Powerpoint