

CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: MARCH 5, 2024

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MICHAEL KLEIN, COMMUNITY DEVELOPMENT DIRECTOR, AICP

TOM BARTLETT, CITY PLANNER, AICP

JACLYN RACKERBY, PLANNER

SUBJECT: ANNUAL PROGRESS REPORT FOR 2023 REGARDING THE CITY OF

CALABASAS GENERAL PLAN 2021-2029 HOUSING ELEMENT

MEETING MARCH

DATE:

MARCH 27, 2024

SUMMARY RECOMMENDATION:

Receive and file the attached annual progress report for 2023 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 That Housing Element was updated and replaced by the 2014-2021 Housing Element on September 11, 2013, and on July 19, 2013 the updated Housing Element was approved and certified by HCD as being compliant with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 2023 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:

<u>Summary of Production:</u> The attached progress report summarizes residential building activity, 6th cycle RHNA progress, and progress of housing program implementation for the calendar year of 2023 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 A2 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, 2023. Note that <u>entitled</u> projects do not count towards progress of meeting RHNA because RHNA performance is reported on the basis of building permits.

2023 Entitlement Activity (Table A2)			
Income Category	New Units Entitled in 2023		
Very Low	4		
Low	12		
Moderate	1		
Above Moderate	122		
TOTALS:	139		

Table A2 of the progress report (which is replicated below) also documents all residential building activity, based on building permits issued from January 1 to December 31 of 2023.

2023 Building Activity (Table A2)		
Income Category New Units		
Very Low	3	
Low	0	
Moderate	0	
Above Moderate	12	
TOTALS:	15	

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	Remaining RHNA			
Very Low	132	3	129	
Low	71	0	71	
Moderate	70	8	62	
Above Moderate	81	14	67	
TOTALS:	354	25	329	

As indicated in the table above, a total of 25 new residential units in the City were issued construction permits since the reporting period began in 2021. Therefore, 329 units remain to be built (permitted) in the 2021 – 2029 (6th RHNA) housing cycle.

The units identified in the "Very Low", "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. All 3 of the Very Low units included in the table above are ADUs, for which the owner has informed Staff that the unit will be occupied without rent.

<u>Housing Element Programs Implementation:</u> 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.		The program was resumed in 2023 after a break due to COVID-19, and two residents have been assisted so far. More are on the waitlist to be helped once the first two projects are completed.				
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.	monitoring under	Ongoing. No qualifying homes or ADUs have yet been identified.				
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 2023. The subsidies increased from \$262/month to \$276/month in August 2023.				
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 2023 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 the 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				

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
			communicated to the City that they are not presently interested in acquiring the park.
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 2023 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 Ad	dequate Residen	ntial 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 zoning designations and standards were updated coincident with the Housing Element adoption. Also, the City released a Notice of Funding Availability (for \$4.5 million) in 2022 to accomplish affordable housing development on a property in the City, and the identified future housing sites were specifically mentioned. Although the state grants for this funding have since expired, City funds for affordable housing development remain available. Staff also fields inquiries on a regular basis from housing developers, and we advise them of the identified future housing sites.
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.	Entitlements were obtained for a 119-unit housing project on one of the largest sites identified in the housing element (Site 11). Staff has continued to coordinate with owners of the other sites and responded to inquiries as they came in, including conversations with a housing developer regarding Site 12 within the Craftsman's Corner annexation area.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Affordable Housing Overlay (AHO)	Provide Incentives for affordable housing on designated sites: - Increased densities - Increased height - Increased FAR - Reduced open space	adoption of the	The City Council adopted an Affordable Housing Overlay (AHO) zoning in 2022. An Affordable Housing webpage has since been created and is accessible via the City's website. The webpage includes links to the Housing Element, the AHO and density bonus provisions of the City's Land Use and Development Code, as well as the City's other affordable housing programs. The City continues to work with property owners interested in development opportunities on sites identified in the AHO.
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 preapprovable construction plans. Achieve production of an average of 12 ADUs annually.		Staff is compiling 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 preapproved ADU plans in 2024.
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.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Annexation of Craftsman's Corner Territory	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 2024.
	Developme	ent of Affordable	Housing
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.	2022. Submit project application to DR-MHP program by	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 California Green Building Code (CalGreen). The 2022 Green Building Ordinance was adopted by the City, which went into effect January 2023.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation		
Removing Governmental Constraints					
Density Bonus Program	with discussions with development applicants.	in 2022 with	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 Special Needs Housing	Modify zoning standards for transitional and supportive housing, and emergency shelters consistent with current State law.	Amend the Development Code by 2022.	These Code updates were delayed and are set for completion in 2024.		
Adaptive Reuse of Office Space	Research modified standards utilized in other jurisdictions to facilitate office conversions. Adopt modified standards as appropriate.	standards as	Nothing to report for the 2023 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. In 2023 staff began compiling research for preparation of objective design standards; the updated design standards are programed for completion and adoption in 2025.		
	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	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.		

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
		the City's 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 2023.
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).	2021. Issue RFP by 2023.	The Affordable Housing Overlay Zone 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 2022, 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. Although the state grants for this funding have since expired, City funds for affordable housing development remain available to interested developers.

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 28, 2024. The City's Residential Rehabilitation and Rental Assistance programs on their own do not satisfy the City's obligation to plan for, zone for, and permit production of new affordable housing units under RHNA, as implemented through HCD. The following tables identifies 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				
	# of			Expiration
Name	Address	Units	Income Level	Date
Avanti	23500 Park Sorrento	8	Very Low Income	2046
Canyon Creek	4803 El Canon	75	Very Low Income	2066
Paxton	4240 Las Virgenes	4	Very Low Income	2048
	Rd			
Total: 87 units				

FISCAL IMPACT/SOURCE OF FUNDING:

None

REQUESTED ACTION:

That the City Council receive and file the attached 2023 annual progress report regarding the 2021-2029 Housing Element of the 2030 General Plan.

ATTACHMENTS:

Attachment A: 2023 Annual Housing Element Progress Report to HCD

Attachment B: PowerPoint Presentation