

GENERAL PLAN AMENDMENT - REVISED 2021-2029 HOUSING ELEMENT



City Council Regular Meeting
August 8, 2023

Housing Element Requirements

- Required element of General Plan (PLAN Hermosa)
- Significant changes to Housing Element law since 2017
- Key dates
 - Statutory deadline for adoption – October 15, 2021
 - Statutory deadline grace period – February 15, 2022
 - Extended certification deadline – October 15, 2022
 - Significance of deadlines relates to rezoning deadlines
 - Met deadline – three years for rezoning
 - Did not meet deadline – immediate rezoning



Housing Element Requirements

- Must be reviewed and certified by State Department of Housing and Community Development (HCD)
 - Fines / Suspension of local permitting
 - Ineligible for State funds
 - Risk of litigation
 - “Builder’s Remedy” projects
- City is past statutory and extended deadlines
 - Must complete rezoning before Housing Element can be certified

Background

June/
July 2021

- Planning Commission and City Council review of Draft Housing Element

August/
September
2021

- HCD review of Draft Housing Element

November/
December
2021

- Planning Commission recommendation and City Council adoption of Housing Element

March 23,
2022

- HCD review of Adopted Housing Element
- Additional revisions are necessary to achieve substantial compliance

Background

November/
2022

- City Council supported incorporation of residential uses into commercial corridors; discussed land value recapture and amending parking standards.

December/
2022

- Reviewed approach to Housing Element and zoning.

March 9,
2023

- Update on progress and provided input on Site Inventory.

March 23,
2023

- Planning Commission discussed approaches to zoning, focused on including residential uses along commercial corridors.



Planning Commission Action

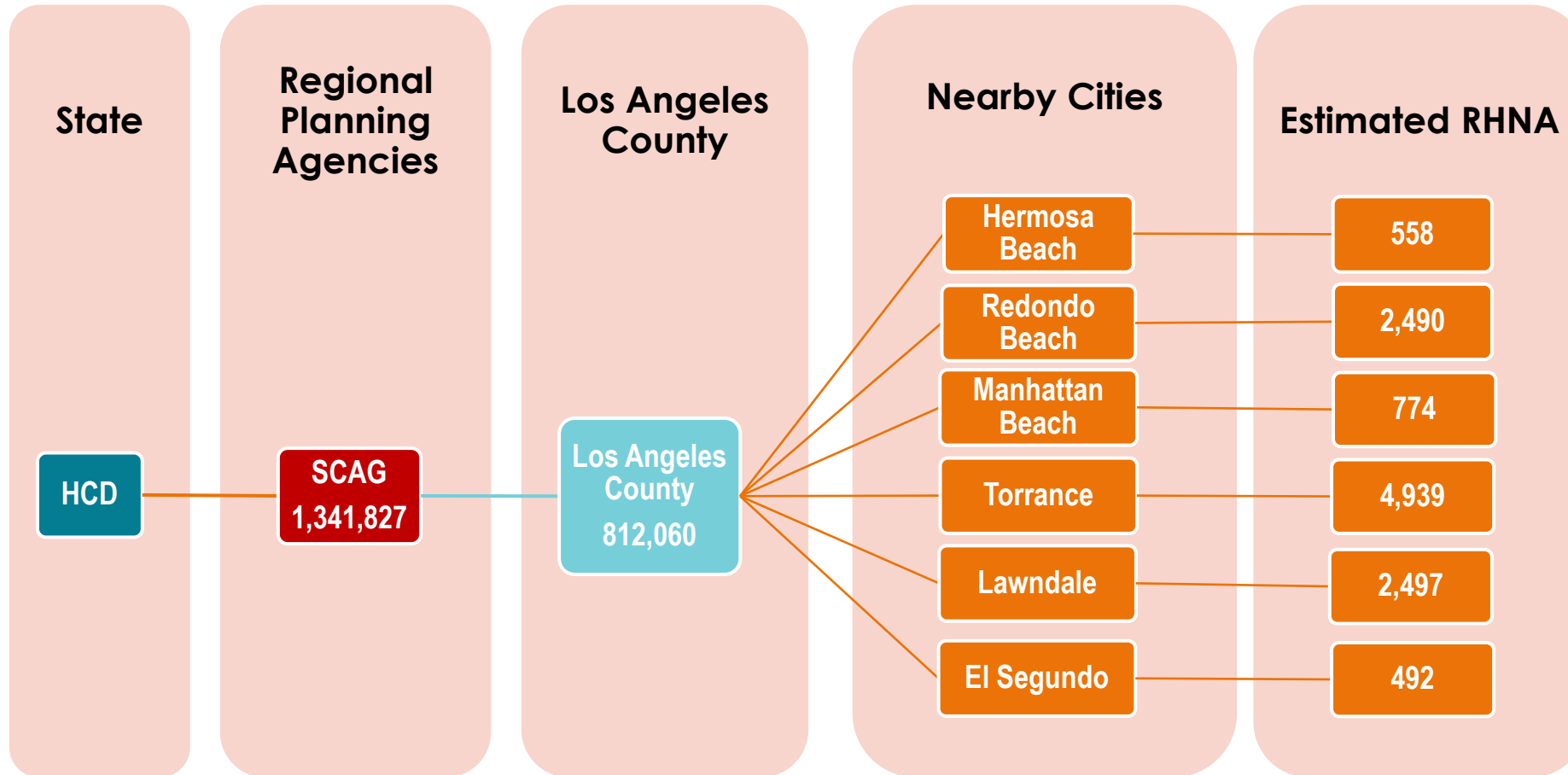
- March 9, 2023 – Conducted a study session to review sites inventory and provide feedback
- March 21, 2023 – Conducted a study session to discuss rezoning approaches for implementation
- June 20, 2023 – Conducted a public hearing and recommended City Council adopt the revised Housing Element

City Council July 11, 2023 Discussion

- Background information on 6th Cycle Housing Element progress and status
- Summary of revised Housing Element
- Received public input; conducted discussion
- Consensus for community members to submit site suggestions to staff for evaluation
- Analysis of sites included in this agenda item



Regional Housing Needs Assessment (RHNA)



RHNA By Income Category

Income Category	City Income Distribution	<u>6th Cycle</u> (2021-2029)	
		RHNA	%
Very Low (0-50% AMI)	9%	232	42%
Low (51-80% AMI)	6%	127	23%
Moderate (81-120% AMI)	12%	106	19%
Above Moderate (>120% AMI)	74%	93	17%
Total	<u>100%</u>	<u>558</u>	<u>100%</u>

***RHNA is a planning goal, not a production obligation**

Los Angeles County Area Median Income (AMI) = \$91,100

VTA Qualifications

- Established in 2005 and based in Pasadena
- Focus on housing-related services
- Housing Element - 100+ Elements prepared throughout California
- 6th cycle (2021-2029) certified Housing Elements (e.g., San Diego County, Los Angeles County, Culver City, Cypress, El Cajon, El Central, Long Beach, Palmdale, Rancho Cucamonga, Redondo Beach, Riverside, San Clemente, San Fernando)



HCD Letter March 23, 2022

- Review of past Housing Element effectiveness
- Assessment of fair housing in the City
- Revised Sites Inventory that complies with State Housing Element Law and meets RHNA
- Specificity for Housing Element programs.
- Evaluation of local processing and permit procedures.
- Prior HCD Comments from October 2021



Revised Housing Element – Policy Plan

- Updated to reflect current circumstances and to include commitments for specific actions over 8 years.
- A schedule of actions with a planning period
- Timeline for implementation
- Agencies responsible for the implementation
- City's AFFH Place-Based strategies
- Summary of AFFH actions.



Housing Element Policy Plan

- Density Bonus and Other Incentives
- Conservation of Affordable Housing
- New Affordable Housing Development
- Adequate Sites for New Housing
- Land Value Recapture
- Housing Trust Funds

Revised Housing Element – Technical

- Housing Needs Assessment - added information about persons with disabilities and special housing needs.
- An evaluation of resources and opportunities available to address housing issues.
- Review of governmental and non-governmental constraints
 - Appendix A: Program-by-program review of 2014-2021 Housing Element
 - Appendix B: Revised Sites Inventory of sites for housing development.
 - Appendix C: A summary of opportunities for public participation.
 - Appendix D: Affirmatively Furthering Fair Housing analysis.



HCD Sites Inventory Criteria

- AB 1397 (2017) – State Housing Element Law
- HCD Site Inventory Guidebook
 - Existing development capacity
 - Reliance on non-vacant sites requires substantial evidence to demonstrate redevelopment potential
- Lower-income sites must be between 0.5 acre and 10 acres

HCD Sites Inventory Criteria

- Sites must have owner/developer interest, be vacant land, or a high vacancy building; or
- Two of the following factors:
 - Show a trend in redevelopment
 - Must have below a 1.0 floor area ratio
 - Low improvement to land ratio (0.6 improvement to land)
 - Structure was built prior to 1990

HCD Sites Inventory Criteria

- Minimum density is determined by metropolitan area and actual development density in the City
 - Default density 20 dwelling units per acre (du/acre)
 - Based on development trends in the South Bay, able to use 25.1 (du/acre) for minimum density.
- RHNA development capacity is based on site size with minimum density (25.1 du/acre)

Hermosa Beach Existing Sites

- Sites developable at default density (20 dwelling units/acre)
 - R-2, R-2B, R-3, R-P, C-1
- No existing sites with capacity
 - Potential capacity versus development trend of demolition/reconstruction of larger units
- No existing sites with approved, permitted or built projects.

Hermosa Beach Proposed Sites

- Must rezone sites to create residential capacity at minimum densities
- Sites placed in moderate/above-moderate category
- Sites meeting 0.5 acre criteria included in lower-income category.
- Accompanied by justification

HB Land Inventory Summary

Land Inventory Summary vs. RHNA

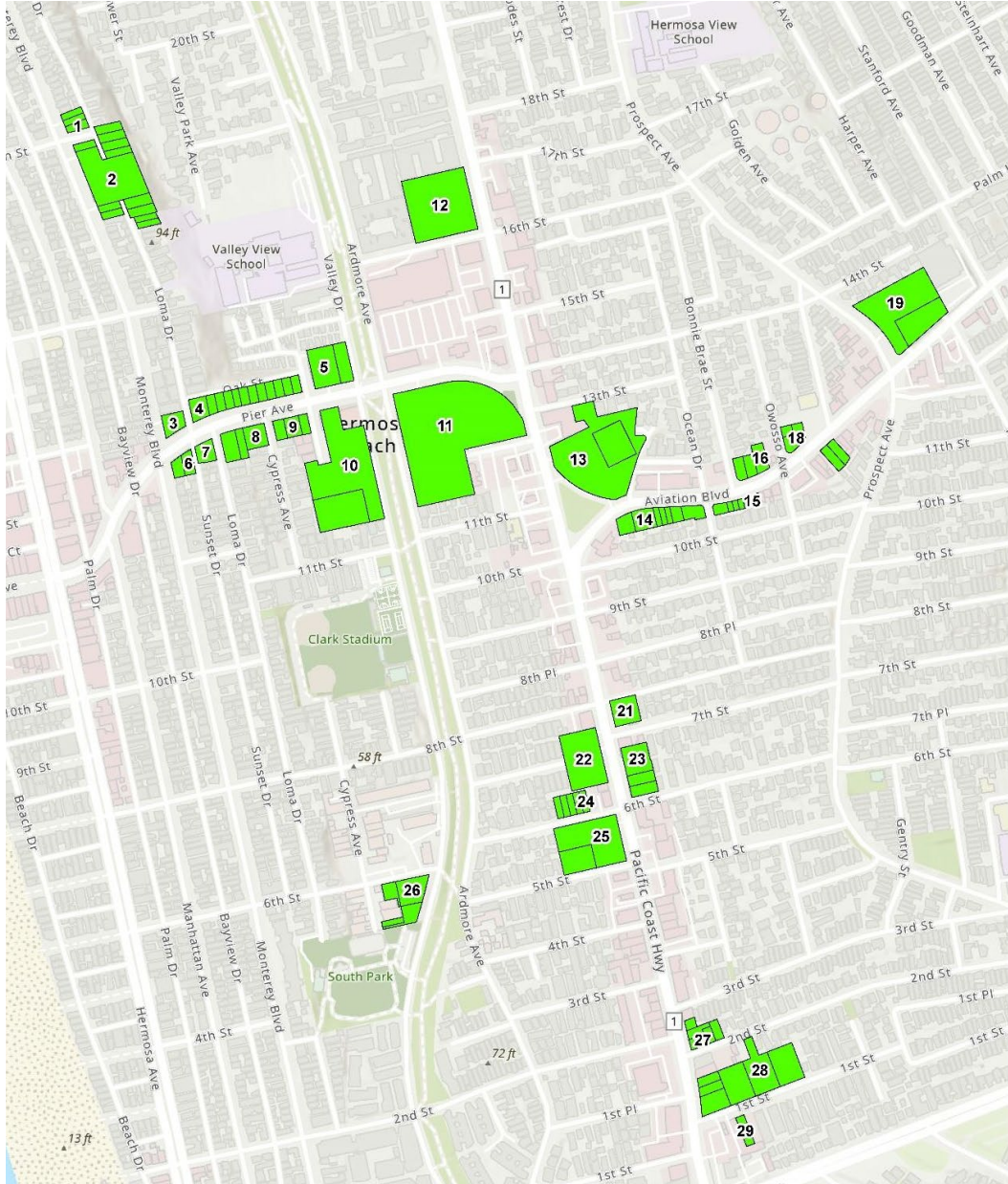
	Income Category				Total
	VL	Low	Mod	Above	
RHNA (2021–2029)	232	127	106	93	558
Accessory dwelling units	11	28	4	21	64
Remaining RHNA	221	99	102	72	494
Sites Inventory (Table B-4)	355		168	80	603
% Buffer Above Remaining RHNA	11%		65%	11%	22%
Source: Hermosa Beach Community Development Department, 2023					

RHNA No Net Loss

- Senate Bill 166 (2017)
- City required to maintain adequate site inventory at all times
- City must find adequate sites exist if any Sites Inventory site is developed to less than minimum density
- City has 180 days to replace the RHNA capacity, including any rezonings
- Buffer included in Sites Inventory capacity

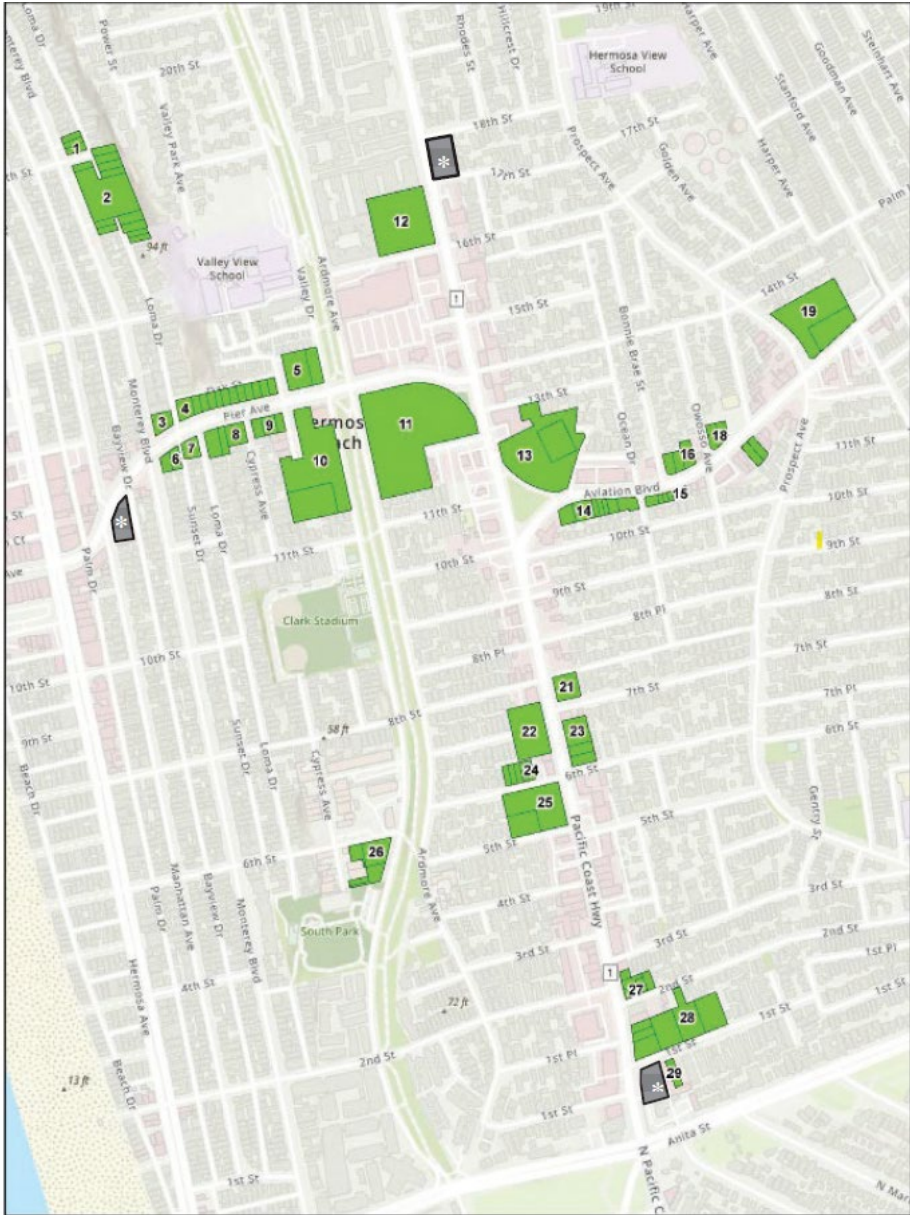


Revised Sites Inventory



- Deletions
 - 725 10th Street
 - 1529 Valley
 - 2701 PCH
- Additions
 - Aviation Sites
 - 700 PCH
- Added parcel-by-parcel analysis to Table B-4

Post July 11, 2023, Additional Sites



- 8 – 26 Pacific Coast Highway
 - > ½ acre – qualifies for 18 lower-income RHNA units
- 200 Pier Avenue
 - < ½ acre; built 2008
 - Qualifies; income level depending on program and project submittal
- 1706/1734 PCH
 - < ½ acre;
 - Qualifies for moderate and/or above moderate RHNA

Proposed General Plan Changes

- Land Use Element must be updated to be consistent with the Housing Element.
- Add language for non-residential land use designations to allow mixed use/residential.
- Does not enable development
- Does not include zoning changes
- No height limit changes

Environmental Determination

- The proposed revised Housing Element would not approve any development or change any land use designations exempt from California Environmental Quality designations Act (CEQA) 15061, Review for Exemption of the CEQA Guidelines.
- Revisions continue to be consistent with the initial finding that the Housing Element is exempt under CEQA per Section 15061.
- Additional CEQA review will be conducted as part of the required zoning amendments.
- The City is currently performing analysis to assess whether any new environmental impacts would be created.



Public Notification

- Legal ad published in the Easy Reader
- Signs posted at City Hall, Comm. Center, library
- E-blast to over 2,800 email addresses submitted by community members from interest lists
- Recurring social media posts
- Public comments – St. Cross site; Sites Inventory Criteria; potential development;
- Public inquiries - Staff responses (in-person and email); FAQs Section on website



Recommendation

The Planning Commission recommends that the City Council:

- Conduct a public hearing
- Provide direction on Sites Inventory
- Adopt resolution approving revised 2021–2029 Housing Element and associated General Plan language changes



Resolution Components

- Resolution adopting revised Housing Element incorporates
 - Direction from City Council on Sites Inventory
 - Authorization for staff to make non-substantive changes
 - *Any substantive change resulting from HCD review will be presented to City Council for review and decision*
 - Required finding by HCD demonstrating evidence that non-vacant sites do not have impediments to housing development

Post-Adoption Steps

- Staff completes necessary revisions
- Revised document is posted for public review for a minimum of 7 days
- Staff submits revised Housing Element to HCD for 60-day review
- Continued discussion and public hearings on Housing Element-related zoning changes (required prior to HCD certification)



THANK YOU!

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Housing Element project information available
at:

www.hermosabeach.gov/housingelement