



Staff Report

File #: REPORT 22-0117, Version: 1

**Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of March 8, 2022**

**REVIEW OF SUBMITTAL OF THE 2021 HERMOSA BEACH
HOUSING ELEMENT ANNUAL PROGRESS REPORT**
(Community Development Director Ken Robertson)

Recommended Action:

Staff recommends City Council:

1. Receive and file the 2021 Housing Element Annual Progress Report; and
2. Direct staff to submit the report to the California Department of Housing and Community Development.

Executive Summary:

The Housing Element is a state-mandated requirement of the General Plan. As part of State Law, each jurisdiction is required to prepare and file an Annual Progress Report (APR) with the California Department of Housing and Community Development (HCD) describing housing production and the status of Housing Element program implementation. APRs must be prepared using the format established by HCD and be reviewed by the City Council at a public meeting prior to submittal to HCD.

Jurisdictions must prepare an annual progress report on the status and progress in implementing its housing element (Government Code Section 65400.) The APR provides decision-making bodies, and the public, an update regarding the implementation of the General Plan and of the progress in meeting the City's goals. The APR documents the progress made by the City in implementing policies adopted as part of the 2013-2021 Housing Element and in issuing building permits for new housing units in calendar year 2021.

Background:

Since 1969, Housing Elements have been mandatory portions of local general plans in California because providing housing for all Californians is considered by the state legislature to be of vital statewide importance. A Housing Element provides an analysis of a community's housing needs for all income levels, and strategies to respond to and provide for those housing needs. It is a key part of the City's overall General Plan. State Law establishes that each city accommodate its fair share of affordable housing as an approach to distributing housing needs throughout the state. The General

Plan (Housing Element) is required by law to be updated every eight years.

California's housing-element law acknowledges that, for the private market to adequately address the housing needs and demand of Californians, local governments must adopt plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, housing policy in California rests largely on the effective implementation of local general plans and, in particular, local housing elements.

Housing Element planning periods are sometimes referred to as "cycles." The City's current Housing Element covers the planning period extending from 2013 to 2021, which is referred to as the "5th Housing Element cycle" in reference to the five required updates that have occurred since the comprehensive revision to State Housing Element law in 1980. Every city in the Southern California Association of Governments ("SCAG") region is required to prepare a Housing Element update for the 6th planning cycle, which spans the 2021-2029 period, regardless of when the other elements of the General Plan were adopted. City Council adopted the 2021-2029 Housing Element at its meeting on December 21, 2021.

Past Council Actions

Meeting Date	Description
December 21, 2021	The City Council conducted a public hearing and adopted the 2021-2029 Housing Element.

Analysis:

The attached Housing Element APR for the calendar year 2021 was prepared using the forms as required by HCD. It reflects the typical pattern in Hermosa Beach where the annual net increase in housing is relatively small, as new projects typically replace existing housing units, or the net increase is only one or two units.

In 2021, the City issued a total of 41 permits for dwelling units in the above moderate (market rate) income category. The data also reflects the emerging trend of the construction of Accessory Dwelling Units (ADUs). There were 13 ADU permit applications in the calendar year of 2021, a decrease from the 14 applications in 2020.

General Plan Consistency:

Annual Progress Reports are required by Government Code Section 65400 and part of the City's responsibility to implement the Housing Element of the General Plan. This report and associated recommendations have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Land Use Element

Goal 2. Neighborhoods provide for diverse needs of residents of all ages and abilities and are organized to support healthy and active lifestyles.

Policy:

- **2.3 Balanced neighborhoods.** Promote a diverse range of housing unit types and sizes, within the allowed densities.

2021-2029 Housing Element

Issue Area No. 3-Provision of Adequate Sites for New Housing.

The majority of the City underwent development during the early 1900s. More intensive development followed, and this intensification has occurred up to the present time. There are few vacant parcels of land remaining in the City, and the majority of the residential construction that has occurred involved the “recycling” of individual properties. Nevertheless, the City of Hermosa Beach will continue to explore potential sites for residential development as a means to achieve a variety and diversity of housing types.

- **Policy 3.1** The City will evaluate new development proposals in light of the community's environmental resources and values, the capacity of the public infrastructure to accommodate the projected demand, and the presence of environmental constraints.
- **Policy 3.2** The City will continue to evaluate the General Plan and zoning to ensure residential development standards are adequate to serve future development.

Fiscal Impact:

There is no fiscal impact associated with the recommended action.

Attachments:

1. 2021 Annual Progress Report
2. Staff Report for December 21, 2021 City Council Meeting

Respectfully Submitted by: Melanie Hall, Interim Associate Planner

Concur: Ken Robertson, Community Development Director

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager