1. What is the General Plan Housing Element and why does the City have to update it?

The Housing Element of the General Plan is a State-mandated policy document that identifies Redondo Beach’s existing and future housing needs and establishes clear goals to inform future housing decisions. The City’s Housing Element provides goals, policies and programs that address:

- Conserving and improving existing housing
- Providing adequate housing sites
- Assisting in the provision of affordable housing
- Removing governmental constraints to housing development
- Promoting fair housing opportunities

Unlike other elements of the General Plan, State law requires the Housing Element to be updated every eight years, and in some cases every four years. The City’s current Housing Element (5th Cycle) was adopted by the City Council in August 2013, and updated in 2017, and covers the period 2014-2021. The next housing cycle (6th Cycle) will cover the eight-year planning period from October 2021 to October 2029.

2. Is the Housing Element a separate stand-alone plan?

The Housing Element is one of seven State-mandated elements of the General Plan, and is required to be internally consistent with other parts of the General Plan. To function as a useful statement of local policy, the various components of the General Plan need to "comprise an integrated, internally consistent and compatible statement of policies for the adopting agency" (Government Code section 65300.5). So, for example, if the Housing Element identifies additional areas for housing, the Land Use Element would need to be amended for internal consistency.

3. What is Included in the Housing Element?

The Housing Element is comprised of the following major components:

- Community context, the Housing Elements relationship to other General Plan Elements, and data sources
- Review of effectiveness of existing Housing Element
- Assessment of existing population, demographics, housing stock, and projected housing needs
- Identification of resources – financial, land, administrative
FREQUENTLY ASKED QUESTIONS

- Evaluation of constraints to housing
- Housing Plan – goals, policies and programs

Results from each of the key components of the analysis – community context, effectiveness of the existing Housing Element, projected housing needs, resources, and constraints -- are reflected in the goals, policies and programs in the implementation plan. The entire process must reflect public participation from the draft stage to final adoption.

4. Why does Redondo Beach have to plan for more housing?

California law requires each city and county to plan for their “fair share” of the State’s housing growth needs. Based on economic and demographic forecasts, the State has determined that the Southern California Association of Governments (SCAG) region needs to have the ability (through local zoning) to accommodate 1,341,827 housing units between 2021 and 2029 (6th Cycle) to meet the State’s forecasted housing demand. SCAG is the agency responsible for distributing the fair share allocation among its six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, Ventura) and 191 cities in the Southern California region.

5. How much new housing does Redondo Beach have to allow?

SCAG has allocated the region’s 1,341,827 housing unit growth needs to each city and county through a process called the Regional Housing Needs Assessment (RHNA). Redondo Beach’s final RHNA for the 2021-2029 planning period (6th cycle) is 2,490 units, distributed among the following income categories:

<table>
<thead>
<tr>
<th>Income*</th>
<th>RHNA Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low (&lt;50% AMI)</td>
<td>936</td>
<td>37.6</td>
</tr>
<tr>
<td>&lt;$56,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (50%-80% AMI)</td>
<td>508</td>
<td>20.4</td>
</tr>
<tr>
<td>$56,300 - $90,100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moderate (80%-120% AMI)</td>
<td>490</td>
<td>19.7</td>
</tr>
<tr>
<td>$90,100 - $92,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above Moderate (&gt;120% AMI)</td>
<td>556</td>
<td>22.3</td>
</tr>
<tr>
<td>&gt;/=$92,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,490</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*2020 Income Limits for a family of 4 in Los Angeles County
(source: HCD, April 2020)
The RHNA represents the minimum number of housing units Redondo Beach is required to plan for in its housing element by providing “adequate sites” through general plan and zoning. As described in the response to question #9 below, the State requires that jurisdictions create a sufficient buffer in the Housing Element sites inventory beyond that required by the RHNA to ensure adequate sites capacity exists throughout the planning period.

6. How is a City’s RHNA determined?

This is a complex process that begins with the State of California. The State prepares projections about expected population growth in the state and then allocates a portion of the total state population growth to each region. Regional planning organizations in turn distribute the regional allocation among local jurisdictions. There are three primary objectives in allocating the units to local jurisdictions: increasing housing supply, affordability and housing type, encouraging infill and efficient development, and promoting a jobs/housing balance.

Southern California Association of Governments’ methodology for determining a city or county’s RHNA starts with the total regional determination provided by the California Department of Housing and Community Development (HCD) and separates existing need from projected need. In determining the existing and projected need for the region, the methodology applies a three-step process to determine a jurisdiction’s RHNA allocation by income category. This process involves determining a jurisdiction’s projected housing need, existing housing need, and total housing need in order to determine four (4) RHNA income categories.

7. What is the City’s obligation to accommodate its Regional Housing Need (RHNA), and what happens if at the end of the Housing Element cycle the City falls short of its RHNA goals?

The City’s RHNA represents a planning target and is not a building quota. However, the City must provide sufficient sites, which are realistic and could accommodate housing development within the prescribed timeframe, and the City cannot impose constraints to development. The City can demonstrate the availability of adequate sites using a combination of the following methods:

- Already approved residential development projects (having zoning entitlements)
- Vacant residentially zoned sites (including undeveloped residentially zoned lots within existing residential subdivisions)
- Underutilized residential and mixed-use sites, as well as underutilized sites with a residential overlay
- Second residential units (now referred to as Accessory Dwelling Units)
If the City does not have enough sites to accommodate its RHNA the City can be penalized. For example, in jurisdictions that did not plan for enough housing in their Housing Element and Land Use Element consistent with RHNA goals for the current (5th Cycle) planning period, HCD and the State Attorney’s General required those municipalities to approve residential projects meeting certain conditions under a streamlined approval process with no public hearings. There is no penalty if the units the City is required to plan for aren’t actually built during the 6th cycle.

8. Is there a way to reduce the number of units that are allocated to the City of Redondo Beach?

The City of Redondo Beach (as well as several other jurisdictions) appealed the allocation assigned to the City through the SCAG appeal process. The SCAG Appeal Board did not approve the City’s appeal for a reduction; therefore, the City must address its RHNA as assigned to be considered in compliance with State Law.

9. Can sites that remain undeveloped from the existing Housing Element be reused in the sites inventory for the 2021-2029 Housing Element?

Yes, but new State housing laws make this more difficult. Although this was allowable in the previous Housing Element Update (5th RHNA Cycle), it is only partially allowable for this new 6th cycle. Recent changes in Housing Element law have tightened the parameters for including sites in the Element and require substantial additional analysis to justify sites as suitable and available for development within the planning period.

Layering these new requirements on a jurisdiction’s sites inventory will both reduce the number of suitable sites and will reduce the presumed unit capacity on sites deemed appropriate and available for development. Lastly, the “No Net Loss” Law (Government Code section 65863) requires enough sites be maintained to meet the RHNA for all income levels throughout the planning period. Therefore, State HCD will require jurisdictions create a sufficient buffer in the inventory to ensure adequate sites capacity exists throughout the planning period. As a result, the City is planning for a 20% buffer for low/very low-income units, which will require identification of sites for a total of 2,775 units (20% more units than the number of units allocated by SCAG to the City of Redondo Beach identified in question 5).

10. How is affordable housing defined?

The RNHA process attempts to encourage development of housing at all income levels, with a focus on affordable housing. There is a presumed correlation between density (i.e. the number of housing units per acre) and affordability (i.e., housing built at higher densities is affordable to a greater segment of the population). However, it should be noted that the RHNA process does not establish rental rates or sales prices. Ultimately, the type of housing built on these sites will depend on the housing market and local economy.
State and Federal definitions of housing affordability are generally based on the standard of spending no greater than 30% of household income on housing costs, including utility payments, taxes, insurance, homeowner association fees, etc. Affordable housing is relative to the amount households of different income levels and sizes can afford to pay for housing. For example, the 2020 maximum affordable rent for a very-low income, 3-person household (2-bedroom unit) in Los Angeles County is approximately $1,268, whereas affordable rent for a 3-person, low-income household is approximately $2,028.

11. In addition to providing sufficient sites to address the total RHNA, how does the City’s zoning translate to providing adequate sites for each RHNA income category?

Housing Element law provides for the use of “default densities” to assess affordability when evaluating the adequacy of sites to address the RHNA affordability targets. Based on its population within Los Angeles County, Redondo Beach falls within the default density of 30 units per acre for providing sites suitable for development of housing for very low-income, low-income, and moderate-income households. This is generally consistent with the default density approach that applied when the City updated the prior Housing Element, except that for this new 6th RHNA cycle housing sites will need to be designated and zoned with a minimum allowable density at these levels to count toward the associated lower and moderate-income categories.

12. What do communities do when they run out of vacant and buildable land?

Communities with little or no remaining vacant land cannot escape RHNA -- they must still update their Housing Element to accommodate the RHNA. In these cases, the Housing Element may evaluate existing developed properties as “underutilized sites”. Such properties may be available for intensification, or they may be non-residential sites with potential for re-designation and redevelopment for housing or mixed-use development. Examples of land with potential for recycling may include fragmented sites suitable for assembly, publicly owned surplus land, areas with mixed-use potential, properties facing substantial functional obsolescence, and blighted areas with abandoned or vacant buildings. Second units (aka “accessory dwelling units”) also provide a means of accommodating additional housing in built-out communities. Under limited circumstances, a portion of the City’s RHNA may be met through conversion of existing market rate apartments to affordable levels; preservation of affordable units at-risk of conversion to market rate; and substantial rehabilitation of substandard apartment units combined with long term affordability covenants.

13. What happens if Redondo Beach does not have its Housing Element certified by the State Department of Housing and Community Development (HCD)?

There are a number of potentially significant consequences:

- Risk of litigation from housing advocacy groups, an aggrieved housing developer, or other entity or person based on the City having a legally inadequate General Plan. If
they rule the Housing Element invalid, courts can impose a range of sanctions including placing State HCD into the role of reviewing and approving housing development projects in the City, or having such matters decided ministerially (no hearings) via a court-appointed official; and placing a moratorium on non-residential development and other local land use authorities until the Housing Element is brought into compliance. Furthermore, the jurisdiction is responsible for paying the litigant’s attorney fees. Settlement agreements between the parties often include stipulations for mandatory rezoning and affordable housing production requirements.

- State housing and related parks and infrastructure grant and loan funds typically require verification of Housing Element compliance for eligibility, so failure to secure an HCD certification can result in a loss of funding.

- And where a jurisdiction’s prior Housing Element failed to identify adequate sites to address the RHNA, this unmet RHNA carries over to the next Housing Element, rendering HCD compliance in future housing element cycles significantly more challenging.

California Assembly Bill 72, adopted in 2017, now expands HCDs enforcement authority to refer non-compliant jurisdictions to the State Attorney General’s Office for litigation, as evidenced by the recent lawsuit the State brought against the City of Huntington Beach

FOOTNOTES:

1 For example, if a city used the default density to count a site towards its lower income RHNA need in its Housing Element but approved a market rate development, they would need to make a finding they still have sufficient site capacity to meet their lower income RHNA or make a new site available within 180 days.

2 Huntington Beach subsequently amended its Housing Element to accommodate over 400 new affordable units, and the State dismissed the lawsuit.