



Staff Report

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**File #:** 23-0225

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**REQUEST FOR CITY COUNCIL ACTION AND  
CORONA HOUSING AUTHORITY ACTION**

**DATE:** 03/15/2023

**TO:** Honorable Mayor and City Council Members

**FROM:** Planning and Development Department

**SUBJECT:**

2022 ANNUAL PROGRESS REPORT FOR THE GENERAL PLAN AND HOUSING ELEMENT, FOR SUBMITTAL TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE GOVERNOR'S OFFICE OF PLANNING AND RESEARCH, INCLUDING A REPORT ON LOW-MODERATE-INCOME HOUSING ASSET FUND ACTIVITY

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to receive the annual progress report on the City's General Plan and Housing Element. California law requires the annual report to first be reviewed by the City Council prior to submitting the report to the California Department of Housing and Community Development and the Governor's Office of Planning and Research by April 1 each calendar year.

**RECOMMENDED ACTION:**

**That the City Council** receive the General Plan and Housing Element Annual Progress Report to be submitted to the California Department of Housing and Community Development and Governor's Office of Planning and Research, for the 2022 calendar year.

**That the Corona Housing Authority** review, ratify, and to the extent necessary, direct that the City Council take the above actions.

**BACKGROUND & HISTORY:**

The General Plan is governed by the California Government Code, and per Section 65400. Local jurisdictions must submit an annual General Plan progress report to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) by April 1<sup>st</sup>. Prior to submission, the report must be approved by City Council.

The General Plan and Housing Element Annual Progress Report (APR) is comprised of two parts; a

general status update on the implementation of the City’s General Plan, and a summary of the implementation of the General Plan Housing Element using forms provided by HCD. The Housing Element APR documents the number of housing units, by income level, that have been proposed, permitted, and constructed; and identifies the progress toward implementing Housing Element goals and policies.

Health and Safety Code 34176.1(f) requires local housing successors to conduct an independent financial audit of the low- and moderate-income housing asset fund within six months after the end of each fiscal year, and to include the housing asset fund activity with the APR submittal.

**ANALYSIS:**

Housing Element Annual Progress Report

The Housing Element APR is prepared in conformance with state law and uses the format and information provided by HCD. This year’s Housing Element APR is for calendar year 2022, which is the first reportable year of the 6<sup>th</sup> Cycle RHNA allocation. The planning period for the Housing Element spans eight years, from October 16, 2021 to October 15, 2029. HCD requires the local jurisdiction to submit the Housing Element APR online using the forms provided by HCD, which are attached as Exhibit 1. If the City does not submit its annual report on time to HCD, the Housing Element can become non-compliant with state law.

The annual progress report identifies the number of new residential housing permits issued, and the progress on the City’s housing programs since October 16, 2021. In calendar year 2022 the City issued fifty-two (52) building permits for very low-income residential units, and one hundred forty-three (143) permits for above moderate-income units. There were zero (0) residential building permits issued for low-income and moderate-income households. The following table shows the total number of residential building permits issued to date for each income level category, according to the City’s RHNA allocation for the 6<sup>th</sup> Cycle. The table includes forty-seven (47) above moderate-income units issued in calendar year 2021, after the 5<sup>th</sup> Cycle ended on October 15.

<b>Housing Element Cycle 6 Regional Housing Needs Allocation (RHNA) (2021-2029)</b>			
<b>Income Level</b>	<b>City’s Assigned RHNA by Income Level for Cycle 6</b>	<b>Total Residential Permits Issued to Date for Cycle 6</b>	<b>Total Remaining RHNA</b>
<b>Very Low</b>	1,752	52	1,700
<b>Low</b>	1,040	0	1,040
<b>Moderate</b>	1,096	0	1,096
<b>Above Moderate</b>	2,200	230	1,970

<b>Total Allocation</b>	6,088	282	5,806
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As a note, 35 building permits were issued for ADUs in calendar year 2022. The ADU information in the HCD table currently shows a total of 17 ADUs, but that information will be corrected prior to submitting the forms to HCD. The ADUs contribute to the above moderate-income category, as they are not deed restricted. However, staff is currently assessing whether any of the ADUs can be counted toward the lower income categories, based on published HCD guidance. If they qualify, staff will adjust the HCD forms accordingly, prior to submitting them to HCD and OPR.

General Plan Annual Progress Report

Unlike the Housing Element APR, the State does not have a standardized form or format for the General Plan APR. Rather, the State has created guidelines that identify important topics to cover. In January, 2022 OPR published a “guidance memo” to assist with the preparation of the report. Per OPR, the objective of requiring local jurisdictions to prepare a General Plan APR is to ensure that the General Plan goals and policies remain locally relevant. It also serves to provide OPR with information on how local governments implement their General Plans, so they can better understand how important policy issues are being addressed throughout the State.

The attached General Plan APR was prepared pursuant to the State’s published guidelines. It is divided into four main sections, including:

- Introduction
- Background and summary of the City’s General Plan 2020-2040
- Overview of development and infrastructure investments in Calendar Year 2022
- Summary of how the City’s Strategic Plan for 2021-2026 correlates with General Plan 2020-2040 goals

Low and Moderate-Income Housing Assets Fund Annual Report

California Health and Safety Code 34176.1(f) requires the City’s housing successor to the former Redevelopment Agency to conduct and provide to its governing body an independent financial audit of the low- and moderate-income housing asset fund within six months after the end of each fiscal year. An independent audit was conducted after the end of the fiscal year ending June 30, 2022. The City Council received and filed the annual financial audit at its meeting on December 7, 2022. The Low- and Moderate-Income Housing Assets Fund Report and the independent audit are attached as Exhibit 3 and Exhibit 4, respectively.

The City is including the Low- and Moderate-Income Housing Assets Fund report with the calendar year 2022 APR because it is required by State law. There is no change to the report filed with the City Council on December 7, 2022.

**FINANCIAL IMPACT:**

No application fees are associated with the preparation of this report.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action receives a report for the General Plan and Housing Element. There is no possibility that this action will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** JAY EASTMAN, PLANNING MANAGER

**REVIEWED BY:** JOANNE COLETTA, PLANNING AND DEVELOPMENT DIRECTOR

**Attachments:**

1. Exhibit 1 - General Plan Annual Progress Report for 2022
2. Exhibit 2 - Housing Element Annual Progress Report for 2022
3. Exhibit 3 - Fiscal Year 2022 Low- and Moderate-Income Housing Asset Fund Report (SB341)
4. Exhibit 4 - Fiscal Year 2022 Auditor's Report on Compliance with SB341 dated December 7, 2022