



Staff Report

File #: 22-0216

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

DATE: 03/16/2022

TO: Honorable Mayor and City Council Members

FROM: Planning and Development Department

SUBJECT:

2021 Housing Element Annual Progress Report for the 5th Cycle Regional Housing Needs Assessment, which includes activity information for the Low-Moderate-Income Housing Asset Fund.

EXECUTIVE SUMMARY:

California law requires local jurisdictions to prepare a General Plan Housing Element Annual Progress Report each calendar year, and to submit the report by April 1 to the California Department of Housing and Community Development (HCD). The annual progress report (APR) principally summarizes the City's implementation of the General Plan Housing Element. California law also requires local housing successors to conduct an independent financial audit of the Low- and Moderate-Income Housing Asset Fund for each fiscal year, and report the housing asset fund activity information as an attachment to the APR.

RECOMMENDED ACTION:

That the:

- a. City Council receive the 2021 Housing Element Annual Progress Report to be submitted to the California Department of Housing and Community Development for the 2021 calendar year.
- b. Corona Housing Authority receive the 2021 Housing Element Annual Progress Report to be submitted to the California Department of Housing and Community Development for the 2021 calendar year, which includes the report on the Low- and Moderate-Income Housing Asset Fund activity information required by Health and Safety Code 34176.1(f) (1-11) for the fiscal year ending June 30, 2021.

BACKGROUND & HISTORY:

The 2021 Housing Element Annual Progress Report is for the final reporting year of the 5th Cycle Regional Housing Needs Assessment (RHNA). The 5th Cycle RHNA allocation was for planning period

2013-2021. The General Plan is governed by the California Government Code and per Section 65400, local jurisdictions are to prepare an annual General Plan progress report for each calendar year, and to submit the report by April 1 to the City Council and the California Department of Housing and Community Development (HCD). The annual progress report (APR) summarizes the City's implementation of the General Plan Housing Element; identifies the City's progress in implementing General Plan goals and policies; and documents the number of housing units, by income level, that have been proposed, permitted, and constructed. The Housing Element annual progress report is for reporting Year 2021.

Additionally, Health and Safety Code 34178.1(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 the fiscal year, and to include the housing asset fund activity with the APR submittal.

ANALYSIS:

Housing Element Annual Report

This year's annual progress report is for Year 2021, which is the 8th, final reportable year for the Housing Element 5th Cycle RHNA allocation. HCD requires the local jurisdiction to submit the annual progress report on-line using the forms provided by HCD, which is attached as Exhibit 1.

The annual progress report shown in Exhibit 1, identifies the number of new residential housing permits issued and the progress on the City's housing programs through October 15, 2021. In Year 2021, zero (0) residential building permits were issued for very low-income households, low-income households, and moderate-income households; and 139 residential building permits were issued for above moderate-income households. The planning period for the 5th Housing Element Cycle ended on October 15, 2021. The following table shows the total number of residential permits issued to date for each income level category according to the City's RHNA for the 5th Housing Element Cycle.

| Housing Element Cycle 5 Regional Housing Needs Allocation (RHNA) (2013-2021) | | | |
|---|---|---|-----------------------------|
| Income Level | City's Assigned RHNA by Income Level for Cycle 5 | Total Residential Permits Issued to Date for Cycle 5 | Total Remaining RHNA |
| Very Low | 192 | 64 | 128 |
| Low | 128 | 91 | 37 |
| Moderate | 142 | 67 | 75 |
| Above Moderate | 308 | 2635 | 0 |
| Total Allocation | 770 | 2857 | 240 |

From October 15, 2021 through December 31, 2021, an additional 47 permits were issued for above moderate income housing units. These permits will be reflected in the future as part of the first reporting year for the 6th Cycle Housing Element Update for Year 2022.

Accessory Dwelling Units

The city permitted 17 ADUs for the entire Year 2021.

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 the fiscal year. An independent audit was conducted after the end of the fiscal year ending June 30, 2021. The City Council received and filed the annual financial audit at its meeting on December 15, 2021 (Exhibit 3).

As required by state law, the City is including the previous fiscal year reporting of the Low and Moderate-Income Housing Assets Fund with the Housing Element annual progress report. This form is being submitted to HCD for reporting purposes. There is no change to the report filed with the City Council on December 15, 2021.

FINANCIAL IMPACT:

There is no fiscal impact associated with the preparation and submittal of the report.

ENVIRONMENTAL ANALYSIS:

The submittal of the annual progress report is not a project under the California Environmental Quality Act; therefore, no further review is required.

PREPARED BY: JOANNE COLETTA, PLANNING AND DEVELOPMENT DIRECTOR

Attachments:

1. Exhibit 1 - Annual Housing Element Progress Report for 2021
2. Exhibit 2 - FY 20-21 Low- and Moderate-Income Housing Asset Fund Report (SB341)
3. Exhibit 3 - FY 20-21 Auditor's Report on Compliance with SB341 dated December 5, 2021