



**CITY OF HUNTINGTON BEACH  
PLANNING COMMISSION STUDY SESSION**

**GENERAL PLAN AMENDMENT (GPA) NO. 12-001  
(HOUSING ELEMENT UPDATE)  
JULY 23, 2013**

**SUMMARY**

- **Location:** Citywide
- **Proposed Project:** The Housing Element is a citywide plan for housing, including the provision of affordable housing, in the City of Huntington Beach. It is one of the seven State mandated elements of the General Plan and was last updated in 2008. Pursuant to California Government Code Section 65588, the Housing Element must be updated for the 2013-2021 planning period.

State Housing Element Law (Article 10.6 of Chapter 3 of the Government Code) establishes requirements for the content of local agencies' housing elements in order to ensure that housing issues are adequately and thoroughly addressed. The City has retained a consultant, Karen Warner Associates, to assist staff in the preparation of the Housing Element Update in meeting the State's requirements and ultimately obtaining certification from the California State Department of Housing and Community Development (HCD).

The purpose of the Housing Element is to establish a comprehensive housing strategy for all economic segments of the City. The Housing Element consists of five sections.

- Section I of the Housing Element Update provides an overview of the Housing Element and introduces key housing issues in the City of Huntington Beach.
- Section II provides an analysis of the City's existing and projected housing needs. This analysis includes the following components: the City's current population and household characteristics, housing stock characteristics, a description of assisted housing at risk of converting to market rate and the City's share of the regional housing need (RHNA) as determined by the Southern California Association of Governments (SCAG).
- Section III of the Housing Element Update identifies constraints to providing housing such as environmental, market and governmental constraints.
- Section IV discusses housing opportunities within the City of Huntington Beach. This section includes an analysis of available sites for housing as well as financial and administrative resources.
- Section V sets forth a housing plan for the 2013-2021 planning period. An evaluation of the program accomplishments from the current planning period is incorporated in this section as well.

SCAG has determined that Huntington Beach has a regional housing need (RHNA) of 1,353 units for the 2013-2021 planning period. Additionally, the RHNA is broken down further into the number of housing units needed for various household income categories. The City's RHNA per income category is:

- 313 very low income units;
- 220 low income units;
- 248 moderate income units; and
- 572 above moderate income units.

Huntington Beach plans to fulfill its RHNA allocation using a combination of the methods listed below:

1. Residential projects with development entitlements (occupancy post 12/31/2013);
2. Vacant residential and mixed use sites;
3. Underutilized residential and mixed use sites; and
4. Pending projects on developed sites (with zoning in place).

□ **CEQA:**

The City's consultant prepared an environmental assessment pursuant to CEQA guidelines for the Housing Element Update. On July 9, 2013 the Environmental Assessment Committee approved the processing of a negative declaration for the 2013-2021 Housing Element Update. The 30-day public review and comment period started on Thursday, July 18, 2013 and ends on Friday, August 16, 2013.

□ **Public Participation**

The City has conducted three public meetings (one City Council study session and two Planning Commission study sessions) on the Housing Element Update. Notice of the study session meetings was advertised in the newspaper and mailed to interested parties including housing developers, affordable housing providers, groups and organizations advocating for special needs populations (i.e. – elderly, disabled persons, etc.), and organizations representing specific segments of the community (i.e. – Council on Aging, Mobile Home Advisory Board, etc.). The purpose of these meetings was to introduce key components of the Housing Element Update and provide the City's policy makers and interested parties an opportunity to comment on the data, analysis and programs included in the draft Housing Element. These meetings are summarized in Section I of the draft Housing Element Update.

Issues discussed during the study sessions were incorporated into the draft Housing Element Update, which was completed in April 2013. The draft Housing Element Update was made available for a 60-day public review and comment period, which ended on June 28, 2013. The City received two comment letters during the review period. One comment letter is from the Ocean View School District. The letter details the District's expectation for future increases in enrollment and discusses the difficulty in forecasting student projections. The letter indicates the District's plan to commission an extensive demographic study to ensure that future facility needs are met. The second letter is from the Kennedy Commission, a non-profit affordable housing advocacy organization. The letter points out that Huntington Beach has seen significant rent increases in the last year and, as a result, much of the City's workforce cannot afford to live in Huntington Beach, particularly in the lower wage industry sectors. The letter provides the Kennedy Commission's recommendations for increasing affordable rental housing in the City. Based on the Kennedy Commission letter, the City strengthened programs to encourage development of extremely low income units through incentives such as priority for financial assistance from the City/Housing Authority (Program No. 11) and entitlement application fee waivers (Program No. 14) for projects proposing extremely low income units. The letters are included as Attachment No. 3.

Concurrent with the public review period, the draft Housing Element Update was sent to HCD for review. During the review, the City addressed questions from HCD staff related to governmental constraints, vacant sites, and housing programs for disabled persons and transitional/supportive housing, which resulted in minor revisions to the draft Housing Element and the addition of a new program to address statutory requirements for transitional/supportive housing zoning (Program No. 16). Upon completion of HCD's review, the City received a letter stating that the draft Housing Element, as revised, meets the statutory requirements of Housing Element law. Upon adoption by the City Council, the Housing Element would be found in compliance with State law when it is submitted to HCD for certification. The copy of the draft Housing Element Update that is attached to this report

is the final revised State-compliant draft. A copy of the HCD compliance letter is provided as Attachment No. 2.

□ **The Planning Commission public hearing is scheduled for August 27, 2013.**

A City Council public hearing is tentatively scheduled for September 16, 2013. The City is required to adopt the updated Housing Element by October 2013.

□ **Attachments:**

1. Draft Housing Element
2. HCD Review Letter
3. Public Comment Letters

# **ATTACHMENT NO. 1**

**NOT ATTACHED**

**PROVIDED UNDER SEPARATE COVER**

**ALSO AVAILABLE FOR REVIEW ON THE CITY WEBSITE AT:**

**[http://www.huntingtonbeachca.gov/Government/Departments/  
Planning/major/index.cfm](http://www.huntingtonbeachca.gov/Government/Departments/Planning/major/index.cfm)**

ATTACHMENT NO. 1

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

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P. O. Box 952053  
Sacramento, CA 94252-2053  
(916) 323-3177 / FAX (916) 327-2643  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



June 14, 2013

Scott Hess, Director of Planning  
City of Huntington Beach  
2000 Main Street 3rd Floor  
Huntington Beach, CA 92648

Dear Mr. Hess:

**RE: City of Huntington Beach's 5<sup>th</sup> Cycle (2013-2021) Draft Housing Element Update**

Thank you for submitting the City of Huntington Beach's draft housing element update received for review on May 1, 2013, along with additional revisions received on May 30 and June 13, 2013. Pursuant to Government Code Section 65585(b), the Department is reporting the results of its review.

The revised draft element meets the statutory requirements of State housing element law. The draft element will comply with State housing element law (Article 10.6 of the Government Code) when the element is adopted and submitted to the Department, pursuant to Government Code Section 65585(g).

The Department conducted a streamlined review of the draft housing element based on the City meeting all eligibility criteria detailed in the Department's Housing Element Update Guidance. The City also utilized SCAG's pre-approved housing element data. A telephone conversation on May 15, 2013 and subsequent communications with Ms. Mary Beth Broeren, Planning Manager, Ms. Jennifer Villasenor, Senior Planner, and Ms. Karen Warner, the City's consultant facilitated the review. In addition, the Department considered comments from the Kennedy Commission pursuant to Government Code Section 65585(c).

To remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2013 for SCAG localities. If adopted after this date, the City will be required to revise the housing element every four years until adopting at least two consecutive revisions by the statutory deadline (Government Code Section 65588(e)(4)). For more information on housing element adoption requirements, please visit our website at: [http://www.hcd.ca.gov/hpd/hrc/plan/he/he\\_review\\_adoptionsteps110812.pdf](http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf).

ATTACHMENT NO. 2.1

Mr. Scott Hess  
Page 2

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

The Department appreciates the hard work and dedication of Ms. Broeren, Ms. Villasenor, and Ms. Warner in preparation of the housing element and looks forward to receiving Huntington Beach's adopted housing element. If you have any questions or need additional technical assistance, please contact Melinda Coy, of our staff, at (916) 445-5307 or [mcoy@hcd.ca.gov](mailto:mcoy@hcd.ca.gov).

Sincerely,



Glen A. Campora  
Assistant Deputy Director

ATTACHMENT NO. 2.2



June 13, 2013

www.kennedycommission.org  
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Irvine, CA 92614  
949 250 0909  
Fax 949 263 0647

Ms. Jennifer Villasenor, Senior Planner  
City of Huntington Beach  
Planning and Building Department  
2000 Main Street, Huntington Beach, CA 92648

**RE: Comments on Draft 2014-2021 Housing Element Update (April 2013)**

Dear Ms. Villasenor:

Thank you for the opportunity to review and comment on the City of Huntington Beach's 2014-2021 draft Housing Element. We have reviewed the draft and are submitting this letter to provide public comments.

The Kennedy Commission (the Commission) is a broad based coalition of residents and community organizations that advocates for the production of homes affordable for families earning less than \$20,000 annually in Orange County. Formed in 2001, the Commission has been successful in partnering and working with Orange County jurisdictions to create strategic and effective housing and land-use policies that has led to the new construction of homes affordable to lower income working families.

The Commission would like to acknowledge and commend the City for its leadership in encouraging and facilitating the development of homes affordable to lower income families. The City's implementation of the inclusionary housing ordinance has been an effective tool for the City to increase affordable home opportunities. In the 2008-2014 Housing Element planning period, the inclusionary ordinance resulted in 30 lower income on-site affordable homes within market rate developments.<sup>1</sup> As the City moves forward with the draft Housing Element update, the Commission urges the City to continue its support for the development of affordable homes.

The need to increase quality affordable rental homes remains a high priority in the City. While the economic downturn is slowly recovering and for-sale homes have been on the rise in the County, the cost to rent apartment homes are also on the rise. In the City, the average 2012 rent for large apartment complexes was \$1,533 per month.<sup>2</sup> The average rent increased by 7.4% from the year before that and it placed the City with the second highest rent increase in the County.<sup>3</sup> In addition, approximately one-third of the City's primary employment is in lower paying industry sectors that have wages generally below what is needed to afford rent in the City.<sup>4</sup> With wages that are not keeping up with rising rents, many renting families continue to struggle financially to live and work in this City.

<sup>1</sup> City of Huntington Beach 2013-2021 Housing Element Public Review Draft, p. V-12, April 2013.

<sup>2</sup> City of Huntington Beach 2013-2021 Housing Element Public Review Draft, p. II-30, April 2013.

<sup>3</sup> City of Huntington Beach 2013-2021 Housing Element Public Review Draft, p. II-30, April 2013.

<sup>4</sup> City of Huntington Beach 2013-2021 Housing Element Public Review Draft, p. II-6, April 2013.

For the 2014-2021 Housing Element planning period, the City has a Regional Housing Needs Assessment (RHNA) of 313 very low- and 220 low-income households. To address the City's housing goals, the Beach and Edinger Corridors Specific Plan's (BECSP) seven vacant sites (373 units) and five underutilized sites (255 units) were identified as having a great potential in accommodating homes affordable to lower income families.<sup>5</sup>

The Commission has provided the following recommendations for the City:

1. To continue it's partnership with the Commission to facilitate the development of affordable rental homes for lower income working families in the City.
2. To prioritize SERAF repayments and the City's Housing Asset Fund to proposed extremely low-income affordable rental developments that leverage additional funding sources (i.e. Low-Income Housing Tax Credits).
3. To continue to monitor and negotiate the preservation of affordable homes that are at-risk or have affordability covenants that are set to expire during the 2014-2021 planning period.

The Commission also fully supports Housing Program 14 that includes the additional language:

"In order to specifically encourage the provision of housing affordable for extremely low income (ELI - <30% AMI) households, the City will waive 100% of application processing fees for projects with a minimum of ten percent ELI units, or not less than one unit."

### **Conclusion**

Given the importance of the draft 2014-2021 Housing Element update, the Commission welcomes the opportunity to continue our dialogue on how we can partner with City staff to ensure that the draft Housing Element includes specific policies that will result in new affordable homes for extremely low, very low and low-income working families.

Please keep us informed of any revisions, updates and meetings regarding the draft 2014-2021 Housing Element and if you have any questions, please free to contact me at (949) 250-0909 or [cesarc@kennedycommission.org](mailto:cesarc@kennedycommission.org).

Sincerely,



Cesar Covarrubias  
Executive Director

cc: Melinda Coy, California Housing and Community Development Department

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<sup>5</sup> City of Huntington Beach 2013-2021 Housing Element Public Review Draft, p. IV-8, April 2013.



"Equity and  
Excellence"

# Ocean View School District

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Gina Clayton-Tarvin, Member  
Tracy Pellman, Member

June 28, 2013

Ms. Jennifer Villasenor, Senior Planner  
City of Huntington Beach Planning and Building Department  
2000 Main Street, 3<sup>rd</sup> Floor  
Huntington Beach, CA 92648

REF: Housing Element Report

Ms. Villasenor:

The following comments are directed to the City of Huntington Beach - 2013-2021 Housing Element, the public review draft of April 2013. The Housing Element draft forecasts a 5.3 percent increase in Huntington Beach's population over the 2008-2020 period. The report uses census data to reflect an overall decline of 3,400 children during the decade in Huntington Beach. The Ocean View School District saw a steady decline of 296 students over the decade, but only a 27 student decline from 2008-2013. Using available information, we project that we will increase student enrollment in the District.

As reported on the maps included in the Housing Element Report, the Ocean View School District is unique in that it has the highest concentration of low-income resident neighborhoods (Bolsa Chica-Heil, Goldenwest, Washington, Oak View); has the highest rate of renter households; and has the highest household overcrowding in Huntington Beach. Higher levels of transiency and poverty make it more difficult to predict student projections. We have used an outside partner to create student projections and will also conduct an extensive demographic study to ensure that we are able to meet our community needs when new developments are built. The fact that there are several areas across our District boundaries in which construction projects are slated to occur will press the District to make decisions whether to open up schools that are currently not being utilized by the District and to possibly have school boundary changes.

The Ocean View School District is looking forward to having new developments within its boundaries. The District wants to be a partner in this development to ensure that we are able to provide new families an excellent educational experience. By fully understanding how new construction will affect the Ocean View School District, the District can better plan and comment on how the development will impact the various school sites.

Thank you for your vision and your work in making Huntington Beach the excellent city that it is.

Best regards,

Gustavo Balderas  
Superintendent  
Ocean View School District

ATTACHMENT NO. 3.3