



## CITY COUNCIL AGENDA REPORT

### City of Anaheim PLANNING DEPARTMENT

**DATE:** MARCH 17, 2015  
**FROM:** PLANNING AND COMMUNITY DEVELOPMENT  
DEPARTMENTS  
**SUBJECT:** ANNUAL HOUSING ELEMENT STATUS REPORT FOR THE  
2014 REPORTING PERIOD

**ATTACHMENT (Y/N):** YES **ITEM # 04**

#### **RECOMMENDATION:**

That the City Council, by Motion, accept the 2014 Annual Housing Element Progress Report and direct staff to submit the report to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD).

#### **DISCUSSION:**

The City's 2014-2021 Housing Element was adopted by the City Council and certified by HCD in early 2014. State planning law requires general law cities to file a Housing Element status report to HCD and OPR by April 1 of each year. Although Anaheim is a charter city and therefore exempt from the reporting requirement, the City has historically submitted an annual report to demonstrate Anaheim's notable progress towards meeting its adopted housing goals and to position ourselves to receive related State grant funding. State law requires these reports to be considered by the City Council during a public meeting so that members of the public may provide oral testimony or written comments.

The report identifies Anaheim's Regional Housing Needs Assessment (RHNA) allocation, the City's self-stated housing production goals, and the progress made towards meeting these goals. The report also describes the status of other action items outlined in the Housing Element's implementation program. This is the first reporting year for the 2014-2021 Housing Element.

The City's RHNA allocation represents the number of housing units that the Southern California Association of Governments (SCAG) has determined will be needed to accommodate the City's projected population growth for the 2014-2021 planning period. SCAG establishes the RHNA allocation for cities and counties during each

Housing Element cycle. While jurisdictions are not required to ensure the construction of their entire RHNA allocation, they are required to demonstrate that there are adequate sites with the appropriate zoning in place to accommodate the RHNA allocation. The Housing Element identifies these sites, commonly referred to as the City's Housing Opportunity Sites.

In addition to illustrating progress made towards meeting our RHNA allocation, the report illustrates the City's progress towards achieving its Quantified Objective, an important component of the Housing Element. The Quantified Objective represents what the City has determined to be a reasonable number of housing units that can be produced during the planning period, while taking into consideration factors such as available funding, infrastructure, and current market conditions.

The following table lists the City's RHNA allocation, its Quantified Objective for each income category, and the number of building permits that were issued for housing units in 2014. As noted in the table, the City has made significant progress towards meeting its Quantified Objective during this initial year of reporting.

Income Category	RHNA Allocation	Quantified Objective for 8-Year Planning Period	Permits Issued 2014
Extremely Low Income	N/A*	17	0
Very Low Income	1,256	66	10
Low Income	907	367	98
Moderate Income	1,038	36	22
Above Moderate Income	2,501	3,872	1,271
<b>TOTAL</b>	<b>5,702 units</b>	<b>4,358 units</b>	<b>1,401 units</b>

\*Included as a subset of the Very Low Income allocation

The following list highlights some key construction accomplishments achieved in 2014:

- Construction of Phase I of the Domain Project was completed, providing a total of 60 for-sale units, including 23 units affordable to low income families.
- Construction of Phase II of the Domain Project was started, which will provide providing a total of 40 for-sale units, including 4 units affordable to low income families.
- Construction of Phase IV of Colony Park was started, providing both market rate and affordable owner-occupied housing units. The project will consist of 57 affordable units and 169 above-moderate income units for a total of 226 units.

- Rehabilitation of the Village Center Senior Rental Apartment complex was completed, preserving and extending the affordability of 100 “at-risk” housing units for low income seniors.
- Preservation of the “at-risk” Miracle Terrace Senior Apartment Rental project was completed, converting 128 Tenant-Protection Vouchers from HUD to Section 8 Project-based Vouchers to help preserve 128 extremely-low income senior rental housing units.

In addition to including housing production targets, the Housing Element includes a Housing Policy Program that identifies a variety of policy actions necessary to ensure that the City’s present and future housing needs are met. The emphasis of the Policy Program is on actions relating to housing policies, including those related to fees and programs, which affect the City’s ability to produce housing. The attached Housing Element implementation status document illustrates the progress towards achieving various policies and programs.

As reflected in the status report, several factors have made the production of affordable housing much more challenging than in the past. Most notably, the demise of Redevelopment in California has resulted in a significant and undeniable negative impact on the City’s ability to assist in creating and maintaining affordable housing. As a result, affordable housing developers now have limited ability to utilize local government funding and assistance to create viable development opportunities. The City must now evaluate alternative sources and methods of funding and financing to bridge the funding gap created by the loss of Redevelopment.

Despite funding reductions resulting from the elimination of the Anaheim Redevelopment Agency and the continued reduction in federal entitlement program funds, the City continues to make every effort to implement the goals and policies of the Housing Element. These efforts and successes demonstrate the City’s continued commitment towards ensuring that the housing needs of its residents are recognized and effectively addressed.

**IMPACT ON BUDGET:**

Preparation of the Housing Element Annual Status Update and associated reporting activities is funded through the Planning Department FY 14/15 Budget.

Respectfully submitted,

Sandra Sagert  
Interim Planning Director

John E. Woodhead IV  
Community Development Director

**Attachments:**

1. HCD Reporting Forms
2. Housing Element Progress Report