DATE: MARCH 16, 2021
TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT
       PLANNING DIVISION
DISTRICT: All
SUBJECT: SUMMARY OF ANNUAL HOUSING ELEMENT PROGRESS REPORT

ISSUE
Should the City Council receive the summary of the Annual Housing Element Progress Report?

RECOMMENDATION
Staff recommends that the City Council:

1. Receive the summary of the Annual Housing Element Progress Report.

BACKGROUND
Government Code Section 65400 requires that all California cities provide an Annual Housing Element Progress Report to the Governor’s Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD). The intent of the statute is to describe the City’s progress in meeting its share of the Regional Housing Needs Assessment (RHNA). Also, by forwarding this report to OPR and HCD the City may be eligible for future housing grants.

DISCUSSION
A total of 5,452 units have been allocated to the City of Palmdale during the planning period October 2014 - October 2021 under its 5th cycle RHNA (Note: 6th cycle RHNA allocations have been finalized but are not considered for this reporting period).

These units are distributed by affordability level and the Housing Element of the General Plan must identify how the City plans to accommodate them. The City is required to designate land for housing to ensure that there is enough residentially designated land to meet its RHNA allocation, however, it is not required to ensure units are built. The City is required to report on the progress of housing development in the form of the Annual Housing Element Progress Report.
For calendar year 2020, there were 233 housing units issued a Certificate of Occupancy.

Table 1: 5th Cycle RHNA Allocation with Annual Issued Certificates of Occupancy

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<tbody>
<tr>
<td>Very Low</td>
<td>1,395</td>
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<td>1,304</td>
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<td>Low</td>
<td>827</td>
<td>70</td>
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<td>757</td>
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<tr>
<td>Moderate</td>
<td>898</td>
<td>86</td>
<td>62</td>
<td>149</td>
<td>233</td>
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<td>530</td>
<td>368</td>
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<td>Above Moderate</td>
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<td>42</td>
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<td>166</td>
<td>2,166</td>
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<tr>
<td>Total</td>
<td>5,452</td>
<td>29</td>
<td>42</td>
<td>95</td>
<td>247</td>
<td>62</td>
<td>149</td>
<td>233</td>
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<td>857</td>
<td>4,595</td>
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</table>

In summary, 2020 saw more completed units than in the recent past.

**FISCAL IMPACT**

The annual housing element report is not anticipated to have any fiscal impact. However, the data within the report can be used to continue to streamline internal processes to facilitate increased productivity and accelerate housing development. Although no new revenue is anticipated, the construction of housing units of varied types ultimately has a positive net fiscal impact.

**STRATEGIC PLAN**

Goal III: Invest in infrastructure to improve community livability.

E. Transform housing inventory to meet the changing lifestyle and market demands.

Prepared by: Carlene Saxton, Director of Economic and Community Development

Certified as to availability of Funds: Keith Kang, Finance Manager

Approved by: J.J. Murphy, ICMA-CM, City Manager

Approved as to form: Christopher Beck, City Attorney

**ATTACHMENTS**

1. Annual Housing Element Report Summary