



City of Placentia

2021 Housing Element Update

Planning Commission
June 8, 2021

Placentia General Plan (2019)

- Land Use
- Mobility
- Conservation
- Open Space & Recreation
- Safety
- Noise
- Economic Development
- Health, Wellness & Environmental Justice
- Sustainability
- **Housing (2014)**

Overview

- Housing Element has been a required part of the General Plan since 1969
- Extensive legal requirements
- Housing Element updates required every 8 years
 - ✓ 2021-2029 update required by State law (“6th cycle”)
- State oversight & Housing Element “certification”

Housing Element Certification

- Limitations on local land use control
- Housing is a “matter of statewide importance”
- State Legislature has delegated HCD authority to review Housing Elements for compliance (“certification”)
- Potential legal consequences for non-compliance
- Certification supports the legal validity of the Housing Element and General Plan

Housing Element Guiding Principles

- Maintain & improve existing housing
- Plan for new housing to accommodate growth and a variety of housing for all economic segments
- Minimize constraints to housing
- Fair housing

What is Affordable Housing?

| Income Category | Income Limits | Affordable Rent | Affordable Price (est.) |
|--------------------------------|-----------------------|------------------------|--------------------------------|
| Extremely Low (<30%) | \$40,350 | \$1,009 | --- |
| Very Low (31-50%) | \$67,250 | \$1,681 | --- |
| Low (51-80%) | \$107,550 | \$2,689 | --- |
| Moderate (81-120%) | \$128,050 | \$3,201 | \$500,000 |
| Above Mod (>120%) | > \$128,050 | > \$3,201 | > \$500,000 |

Assumptions:

Based on a family of 4

30% of gross income for rent or PITI

10% down payment, 3.75% interest, 1.25% taxes & insurance, \$300 HOA dues

Key Requirements

Housing regulations consistent with State law

✓ *Persons with special needs*

Regional Housing Needs Assessment (RHNA)

✓ *Adequate sites to accommodate assigned need*

Housing for persons with special needs

- ✓ Affordable workforce housing
- ✓ Transitional housing
- ✓ Supportive housing
- ✓ Emergency shelters
- ✓ Residential care facilities
- ✓ Accessory dwelling units (ADUs)

- Mandated by State law since 1980
- Total housing need assigned to each region by HCD
- RHNA Plan prepared by SCAG
- Each city & county assigned a share of total need based on projected growth, existing need & access to jobs & transit
- RHNA allocation distributed among 4 income categories

RHNA requirements in State law

- Planning
 - ✓ City must ensure that plans and development regulations can accommodate the RHNA allocation in all income categories
 - ✓ Housing Element certification requires “adequate sites”
- Production
 - ✓ Housing Element certification not contingent on achieving the RHNA allocation
 - ✓ If housing production falls short of the RHNA allocation, streamlined permit processing required for some projects

6th Planning Cycle (2021-2029)

SCAG region: 1,341,827 units

Orange County: 183,861 units

Placentia: 4,374 units

Placentia (2021-2029)

Income
Category

Units

Very low

1,231

Low

680

Moderate

770

Above mod

1,693

Total

4,374

RHNA Summary

- Planning target, not a construction quota
- Sites inventory must accommodate the RHNA
- Lower-income need can be accommodated through:
 - ✓ Multi-family residential zoning (30+ units/acre)
 - ✓ Mixed-use or “overlay” zoning (30+ units/acre)
 - ✓ Accessory dwelling units (ADUs)
- If sites inventory does not accommodate the RHNA, rezoning is required

Next Steps

| Date | Milestone |
|-------------|---|
| Spring 2021 | <ul style="list-style-type: none"> Research & analysis Public outreach Study Session |
| Summer 2021 | <ul style="list-style-type: none"> Prepare Draft Housing Element Public review Planning Commission review City Council review HCD review & consultation |
| Fall 2021 | <ul style="list-style-type: none"> Prepare Revised Draft Housing Element Public review Planning Commission review City Council hearing & adoption HCD review & certification |