

Housing Element Update

Presented by
Marika Poynter, Principal Planner

Planning Commission
July 1, 2021

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Background

- The City is preparing the 6th Cycle Housing Element Update (HEU) for period 2021 - 2029
- The 6th Cycle Housing Element began in 2019 with the kick-off of the Regional Housing Needs Assessment (RHNA)
- The RHNA process was finalized in March 2021, giving jurisdictions the closure required to proceed with the development of the Housing Element Update.
- Per statute, the final version of the HEU should be adopted by October 15, 2021
- There is a 120 day grace period permitted for HEU certification

Background

- Draft HEU to Planning Commission on July 1 and 15
- Draft HEU submitted to HCD after Planning Commission review
 - This is a statutory 60 day review by HCD of the draft HEU
 - The City will not meet the statutory October 15, 2021 with this schedule, but will utilize the 120-day grace period for certification.
- Final HEU to Planning Commission and City Council in December / January
- Final certification by HCD in early 2022

Housing Element Purpose

- The City is preparing the 6th Cycle Housing Element Update (HEU) for period 2021 - 2029
- The Housing Element is a State-mandated policy document that:
 - Provides direction for implementation of various programs to meet existing and future housing needs for all income levels in the City
 - Provides goals, policies, programs, and objectives that accommodate opportunities for the preservation of existing housing and development of new housing
 - Demonstrates how the City will accommodate its RHNA allocation

Regional Housing Needs Assessment

% of County Area Median Income (AMI)	Units
Category 1 (0 – 50 % AMI)	6,396
Category 2 (51 – 80% AMI)	4,235
Category 3 (81 – 120% AMI)	4,308
Category 4 (120% AMI or above; considered “market rate”)	8,671
TOTAL	23,610

- Buffer for “no net loss” for Categories 1 and 2 – City will apply it for Categories 1, 2, and 3
- Actual number needed is anticipated to exceed allocation
- Affirmatively Furthering Fair Housing (AFFH)

Key Discussion Items

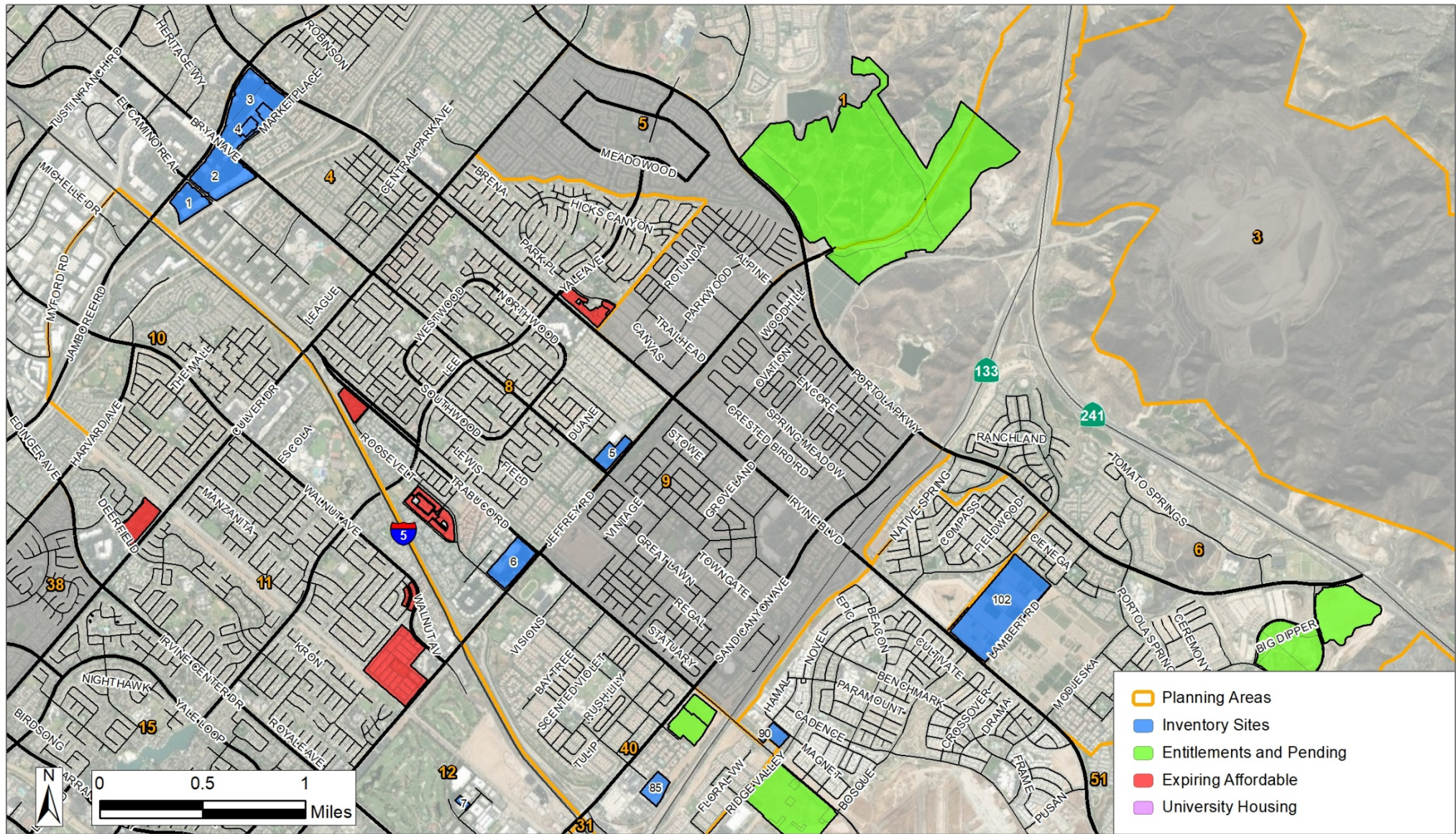
- Site Inventory
 - Constraints/Approach to developing sites
 - Draft Site Inventory
- Policies and Programs
 - Enhancements to existing policies and programs
 - Proposed new policies and programs to facilitate and encourage housing production, and more specifically affordable housing

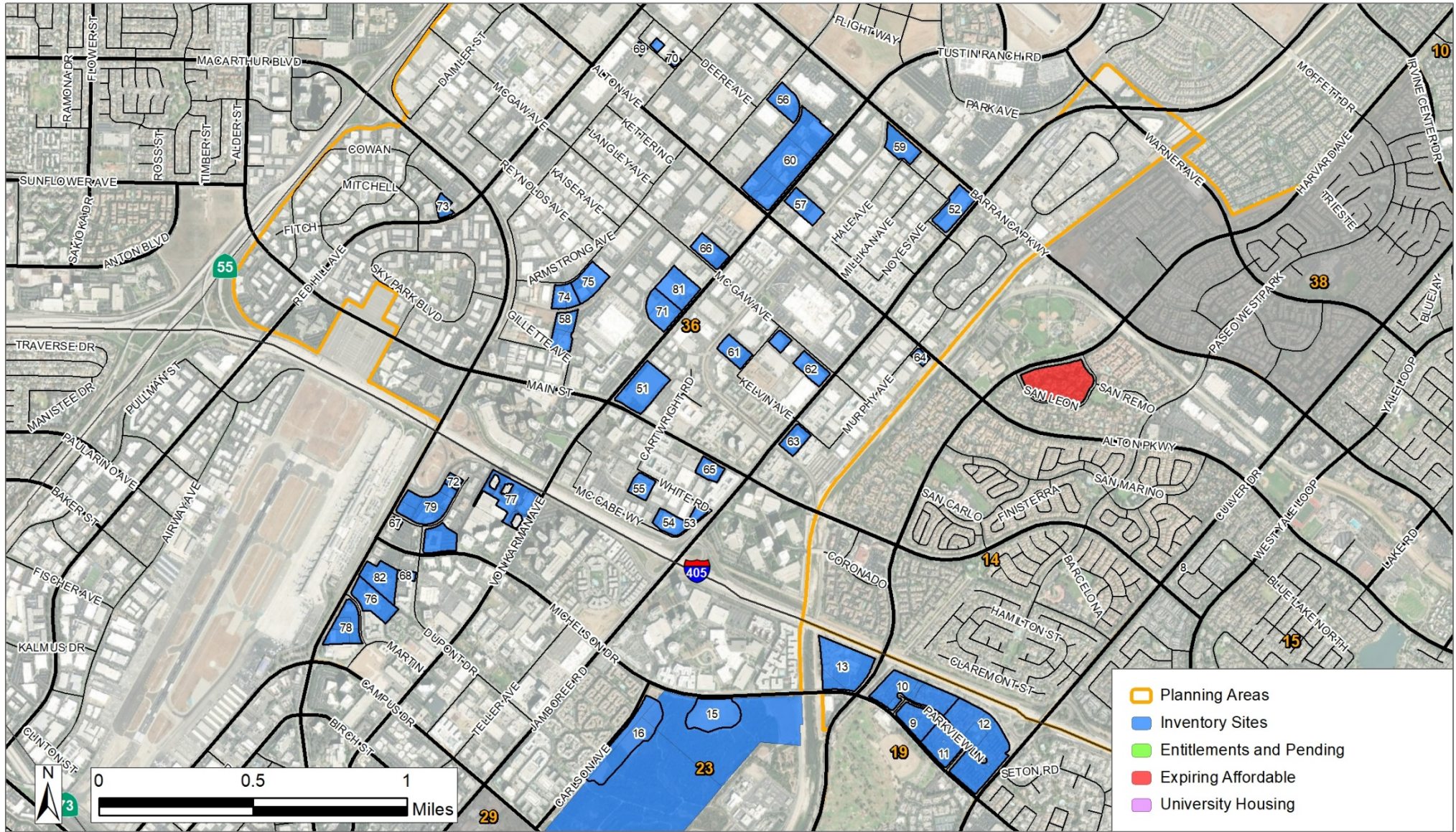
Constraints and Approach for Developing Site Inventory

- Inclusionary Housing: HCD will not permit inclusionary to be used on any future projects to meet the RHNA (HCD guidelines)
- Density Realism: City must show precedent for high density residential assumptions (nearby developments at similar density) (HCD guidelines)
- Parcel Size: HCD will scrutinize sites identified for affordable units on sites below 0.5 acres and more than 10 acres (HCD guidelines)
- Preservation of Open Space/Natural Lands: The City did not include locally protected open space/natural lands in the site inventory.
- Preservation of Neighborhood Core: The City focused the proposed draft site inventory to preserve the neighborhood core

Planning Area Name	Total	Category 1	Category 2	Category 3	Category 4
RHNA	23,610	6,396	4,235	4,308	8,671
PA 4 (Lower Peters Canyon)	2,007	512	341		1,154
PA 19 (RSJ Area)	2,202	279	186	173	1,564
PA 23 (San Joaquin Marsh)	1,000	600	400		
PA 24 (University Town Ctr.)	823	237	158	43	385
PA 32 (Spectrum 3)	17,740	447	298	1,702	15,293
PA 33 (Irvine Spectrum Ctr.)	943	200	134	62	547
PA 36 (IBC)	10,986	1,517	1,010	791	7,668
PA 40 (Cypress Village)	613	300	156		157
PA 51 (Great Park Neighborhoods)	15,772	2,645	2,189	1,948	8,990
All Other PA (including UCI)	8,903	0	0	2,864	23,479
<u>Site Inventory</u>	<u>78,429</u>	<u>6,737</u>	<u>4,872</u>	<u>7,583</u>	<u>59,237</u>
<i>Difference</i>	<i>54,819</i>	<i>341</i>	<i>637</i>	<i>3,275</i>	<i>50,566</i>

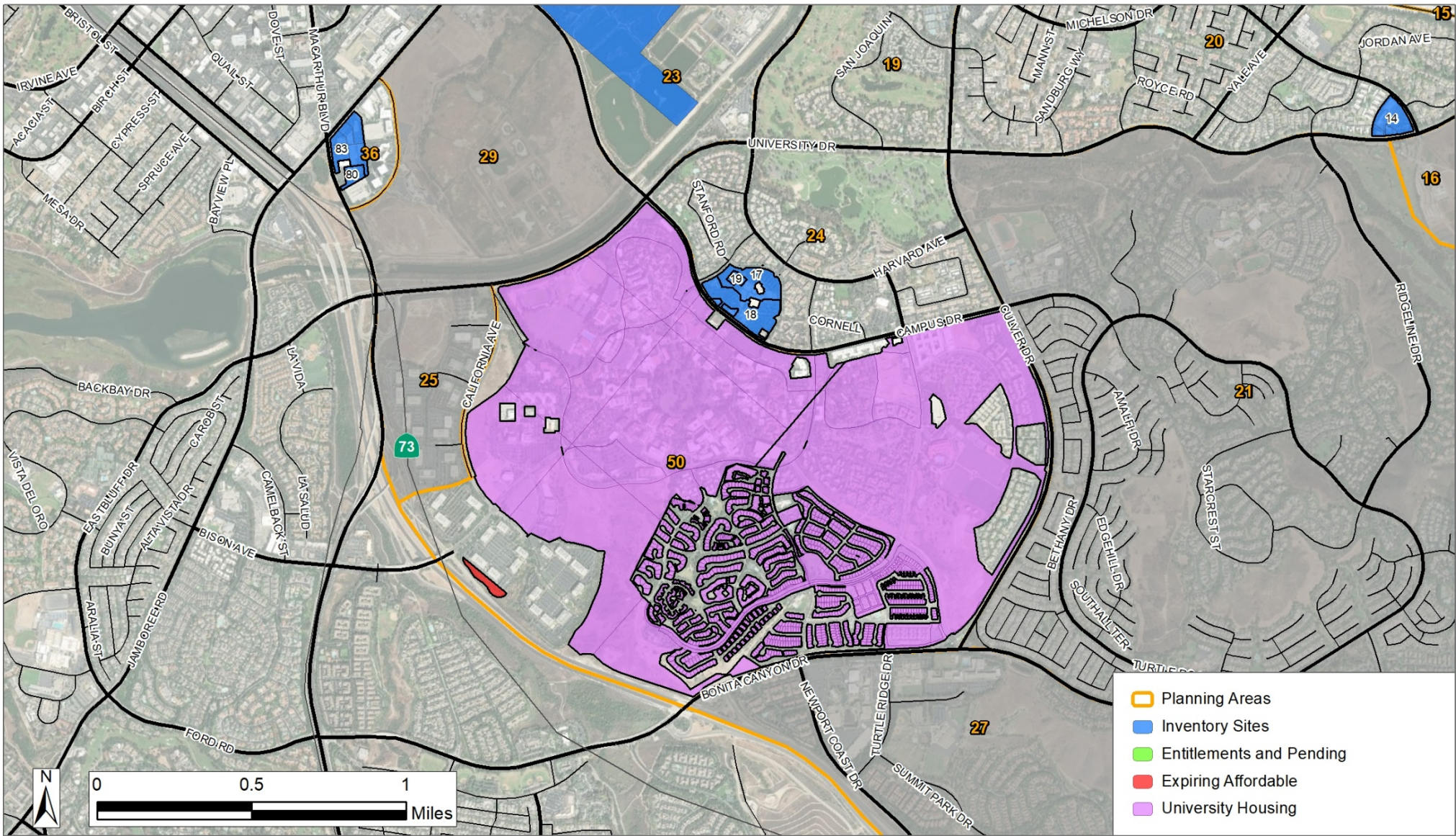






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- Planning Areas
- Inventory Sites
- Entitlements and Pending
- Expiring Affordable
- University Housing

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Draft Policy Recommendations

- Update the Land Use Element and Zoning Ordinance (subsequent effort) to consider:
 - Overlays to promote residential and mixed use:
 - In Planning Area 32 at 50-70 units/acre
 - In the IBC at 50-70 units/acre
 - At targeted retail centers at 30-60 units/acre
 - At religious and school sites at 30-60 units/acre – focus on workforce housing
 - Allow conversion of hotel/motel to residential

Draft Policy Recommendations

- Increased density with focus on transit-oriented development in Great Park Neighborhoods – adjacent to the Irvine Train Station – this is not to include the designated Orange County Great Park
- Target City, County, State, and certain privately owned sites for 100 percent affordable residential projects
- Consider increasing the inclusionary zoning ordinance to mandate 20 percent of new housing projects are at affordable price points instead of the existing 15 percent

Draft Policy Recommendations

- Extend the term of affordability on affordable housing units set to expire in the next Housing Element Cycle (2021-2029) – approximately 912 units
- Amend the existing affordable in-lieu fees

Draft Policy Recommendations

- Coordinate efforts and enhance partnership with the Irvine Community Land Trust (ICLT)
- Consider ways to streamline the affordable housing development process
 - Expedite the entitlement process for affordable housing projects
 - Evaluate the costs and benefits of reducing or deferring development fees

Recommended Action

- Review and provide input on the key features of the Draft Housing Element Update
- Continue the item to the regular Planning Commission on July 15, 2021

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