

### 1. Why update the General Plan?

The City's General Plan is often referred to as the "constitution" of the City because it serves as the guiding document by which land use decisions are made and acts as a blueprint for development and resource management within all areas of the City. The City's current General Plan was last comprehensively updated 24 years ago in 2000. As such, updates to the General Plan are needed to address changes in state law regulating the contents of the General Plan and to ensure consistency with the adopted 2021-2029 Housing Element (6<sup>th</sup> Cycle Housing Element Update). The 2021-2029 Housing Element was adopted by the Irvine City Council in May 2022 and was subsequently certified by California Department of Housing and Community Development (HCD). The adopted 2021-2029 Housing Element outlines the City's plan to accommodate the City's Regional Housing Needs Allocation (RHNA).

## 2. What is Regional Housing Needs Allocation?

The RHNA is a State-allocated number of residential units that cities and counties must plan for to ensure jurisdictions have enough housing in their Housing Element to accommodate all economic segments of the community. The City's RHNA allocation from Southern California Association of Governments (SCAG) for the current 2021-2029 Housing Element cycle is 23,610 units, which is inclusive of very low-, low-, moderate-, and above moderate-income levels.

On May 10, 2022, the Irvine City Council adopted the 2021-2029 Housing Element, which accommodates the RHNA and a buffer for a total of 57,656 new residential units. The total of 57,656 units is significantly higher than the RHNA because it includes a buffer for very low- and low-income units, which is required by the State to ensure the City can meet its RHNA should projects be proposed at a lower density than anticipated on sites identified in the Housing Element. The buffer is also required because the City must spread the units throughout the City (rather than concentrate them all in one area), leading to the need to identify more sites and more units to ensure consistency with the State's requirement to "affirmatively further fair housing."

#### 3. Is the City required to build 57,656 units?

The project is a planning document, not a construction document. There is no obligation for the City or developers to construct 57,656 units. Rather, the City is required to put land use controls in place and remove barriers that could allow for the construction of the RHNA and its buffer, as outlined in the adopted 2021-2029 Housing Element. It is anticipated that actual construction rates would continue based on market demand, which has averaged just under 3,000 units per year over the last 12 years.

#### 4. What is the timeline for the project?

The City has a statutory obligation to update its General Plan and Zoning Ordinance to accommodate the RHNA and the buffer outlined in the approved 2021-2029 Housing Element by mid-February 2025. However, implementation of the project itself is expected to occur through the year 2045.

#### 5. What about all the affordable housing Irvine has already built?

Irvine has made significant progress in building housing, including affordable housing. However, the City is still falling short of providing required affordable housing at all income levels, especially in the very low- and low-income categories. As such, the State requires the City to update its General Plan and Zoning Ordinance to reflect the RHNA, which would allow developers the opportunity to construct additional housing to meet the City's affordable housing goals for all income categories.

## 6. What areas are proposed to include housing in the General Plan Update?

The project itself does not permit the construction of any units, but would allow property owners the option to develop residential and residential mixed-use development within three areas of the City known as "focus areas". All existing land uses and zoning controls set forth in the General Plan and Zoning Ordinance would remain under the project. However, a new overlay zone over each of the three focus areas is proposed to allow residential and residential mixed-use areas:

- Focus Area 1 Greater Irvine Business Complex (IBC) Area (up to 15,000 units),
- Focus Area 2 Greater Spectrum Area (up to 26,607 units), and
- Focus Area 3 Great Park Neighborhood Transit Village Area (up to 5,252 units).

Housing sites within the three focus areas are also identified in the 2021-2029 Housing Element which was adopted by the Irvine City Council in May 2022. The project is required to incorporate these focus areas within the General Plan and Zoning Ordinance.

7. Irvine is known for its master planned communities with residential uses integrated with nearby neighborhood amenities (e.g., parks, trails, schools) and services (e.g., retail). How will this Update ensure that this tradition is continued especially when planning for the Housing Element site inventory such as the Spectrum and IBC focus areas?

The increase in residential uses permitted by the project would occur in the three focus areas. These areas are traditionally served by more transit options and are higher density in character, making them ideal locations for further development/redevelopment. By focusing growth in these three areas of the City, the General Plan Update is also able to preserve the traditional, longstanding existing residential neighborhoods and important open space resources in the City. The project also builds on the City's trademark village concept and develops the new concept of proximity villages, which aim to place residential uses near goods, services, open space, and employment centers in a way that minimizes travel distances (and decreases traffic) and enhances accessibility. Future residential and/or residential mixed-use projects within the focus areas would be required to implement proximity village characteristics and would be required to submit a master plan application for City consideration to ensure consistency with the City's Zoning Ordinance.

# 8. What will happen to our open space if the City approves the project?

The City has two types of open space - open space that is federally and State-protected and open space that is locally protected. The project does not propose any housing or development within any open space area. However, if the project is not approved, the City could potentially be subject to Builder's Remedy projects, which mandate that the City approve projects even if they do not comply with the General Plan or Zoning Ordinance. Under the Builder's Remedy, a project could be planned within locally protected open space and the City would not be able to deny such a project.

# 9. What happens if the City does not update the General Plan Update?

The City is required to adopt the General Plan Update and associated Zoning Ordinance update to accommodate the Housing Element units by mid-February 2025. If not adopted, there are several potential consequences that include, but are not limited to, the following:

- Decertification of the adopted 2021-2029 certified Housing Element;
- Litigation from housing rights groups, developers, and the State Department of Housing and Community Development (HCD) due to noncompliance with State Housing statute;



- Loss of permitting authority, including a potential suspension of the City's ability to issue building permits or grant zone changes, variances, or subdivision map approvals;
- Financial penalties, including court fines of up to \$100,000 a month, and if they are not paid, are multiplied by a factor of six;
- Loss of state grants and funding (approximately \$4,000,000), including affordable housing grants and funding and certain transportation related grants and/or funding requiring a jurisdiction to have a certified Housing Element;
- Court receivership for the City, resulting in an agent being granted all powers necessary to remedy the identified Housing Element deficiencies and bring the City's Housing Element into compliance with State statute. In this case, it would likely mean requiring the rezoning necessary to implement the RHNA identified in the City's recently approved Housing Element;
  - State could select housing sites, including those sites within traditional single-family neighborhoods and locally protected open space; and/or
- Ministerial approval for potential projects, including potential Builder's Remedy projects, as permitted under the Housing Compatibility Act, which prevents jurisdictions without substantially compliant housing elements from denying certain housing projects even when they do not comply with the jurisdiction's zoning or General Plan (i.e., automatic approvals for future projects).

## 10. Have any other cities faced these consequences?

Yes. The following cities have faced consequences associated with not having a compliant Housing Element:

- <u>Portola Valley</u>: Like the City of Irvine, which has a certified Housing Element, Portola Valley had a certified Housing Element but did not make progress towards updating its land use plans to implement their Housing Element. The State Department of Housing and Community Development (HCD) took the unprecedented step of de-certifying the Housing Element, which meant the City had to undergo a significant process for HCD to "consider" re-certifying their Housing Element.
- <u>Malibu</u>: The State Attorney General sued Malibu for not adopting a Housing Element and Malibu subsequently entered into a judgment agreeing to bring the Housing Element into compliance. The City faced penalties/suspension of permit issuance authority if the City failed to comply with milestones in the judgment by the State and was subject to Builder's Remedy in the meantime.
- <u>San Clemente</u>: San Clemente failed to comply with housing statutes and the court issued an order prohibiting the issuance of permits in certain areas for non-residential development until the City brought the Housing Element into compliance.
- <u>Huntington Beach</u>: Huntington Beach sued the State and the State countersued the City. The court issued an order prohibiting the City from reducing density on any Housing Element sites. The court ordered the City to comply with Housing Element laws and rejected claims of exemption on basis of charter city status. The court recently concluded that the City violated the State's housing laws by refusing to move forward with the Housing Element and ordered the city to approve the Housing Element within 120 days.
- <u>Beverly Hills</u>: Californians for Homeownership sued Beverly Hills for not complying with housing laws. The court suspended the city's ability to issue permits except for permits that create new residential bedrooms or units. The City also received applications for Builder's Remedy projects totaling over 1,000 units, which they will likely have to approve even if the city reestablishes compliance with State law on the Housing Element.
- <u>Fullerton</u>: Californians for Homeownership sued the City for not adopting a Housing Element. The City ultimately settled on an agreement that mandated the City to adopt a Housing Element.

