



CONSENT

Agenda Item #3

**PLANNING COMMISSION
AGENDA REPORT**

Meeting Date: March 17, 2022

Subject: Housing Element Annual Progress Report – Calendar Year 2021

Prepared by: Steve Golden, Interim Planning Services Manager

Attachments:

- A. Housing Element Annual Progress Report Resolution
- B. Housing Element Annual Progress Report (Calendar Year 2021) (excel file)
- C. Housing Element Annual Progress Report (Calendar Year 2021) (saved as PDF files)

Initiated by:

Staff

Recommendation:

Receive the progress report, provide the public with an opportunity to provide oral testimony or written comment, and recommend City Council approval of resolution authorizing staff to submit the report to the state as required by law.

Environmental Review:

This is exempt from environmental review pursuant to CEQA Guidelines Section 15061(b)(3) because there is no possibility that receiving an update on the Housing Element's Programs status will have a significant effect on the environment. As a separate and independent basis, this report is also exempt under CEQA Guidelines Section 15378(b).

Background

Pursuant to Government Code Section 65400, each city and county is required to prepare a Housing Element Annual Progress Report (APR) on the status and progress in implementing its housing element. The APR must be prepared using forms and definitions adopted by the California Department of Housing and Community Development (HCD). The forms were first implemented in 2010 and the forms have been updated with data requirements in intervening years since then, plus other revisions have been included to enhance and improve the forms. The APR is meant to serve as a tool for tracking housing production data and the progress of a jurisdiction's Housing Element implementation. The city of Los Altos 2015-2023 Housing Element was adopted by the City Council in March 2015 and certified by HCD the following October. The Housing Element is to be updated on an eight-year cycle as provided for by the regional planning oversight of the Association of Bay Area Government's compliance with SB 375 the Sustainable Communities and Climate Protection Act. Without this structure, housing elements must be updated on five-year cycles.

Discussion

The city of Los Altos Housing Element APR for Calendar Year (CY) 2021 is attached. To ensure accountability with respect to housing production in 2021, Table A reports on housing development applications that were submitted to the city in 2021. It should be noted that for the column “Date Application Submitted”, HCD’s definition for “application submitted” means an application submittal that has been determined complete by the jurisdiction. HCD instructs users that if the application was incomplete at the time of submittal, then to enter the date the application was determined complete by the city. Therefore, if an application was submitted to the city in 2021, but was not determined complete until 2022, it would not be included in this table. Table A2 includes the annual building activities including new construction (building permits issued), projects entitled (planning entitlement), and completed units (certificates of occupancy or final inspections). These tables include each housing site identified by assessor’s parcel number and address, and contains a variety of data including but not limited to: type/category of housing units, tenure, affordability level, deed restrictions, and density bonus eligibility. For the CY2021 APR the following qualifications apply to the data reported:

- Housing projects where there is no net gain in residential units have been excluded. For example, where a parcel is demolishing one single-family residence and replacing it with one single-family residence have been excluded from the tables.
- The affordability level for ADUs (issued building permits only) have been assigned an income category based on a statewide survey of ADUs and further research conducted by the Association of Bay Area Government (ABAG). For communities with Fair Housing concerns, ABAG has recommended the following assumptions to apply to the affordability of ADUs for communities with Fair Housing concerns: 5% very low income, 30% low income, 50% moderate income, and 15% above moderate income.

With regards to the city’s progress in meeting the Regional Housing Needs Allocation (RHNA), Table B summarizes the Permitted Units Issued by Affordability and incorporates the previous reporting years. The Summary table, attached, also provides a summary of the housing production numbers for the CY2021 APR. Progress on Housing Element program implementation is summarized in Table D. Housing Element programs are listed with a brief explanation regarding progress made in the reporting year. Note that many programs continue to be addressed on an on-going basis, while other are complete.