

# CITY OF ONTARIO

## Agenda Report

March 19, 2024

## SECTION:

### CONSENT CALENDAR

Department: Planning  
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Approved By:



Submitted To: Council/OHA  
Approved: \_\_\_\_\_  
Continued To: \_\_\_\_\_  
Denied: \_\_\_\_\_  
Item No: 6

## **SUBJECT: A RESOLUTION APPROVING THE 2023 GENERAL PLAN ANNUAL PROGRESS REPORT AND 2023 HOUSING ELEMENT ANNUAL PROGRESS REPORT**

**RECOMMENDATION:** That the City Council consider and adopt a Resolution authorizing Staff to transmit the 2023 General Plan Annual Progress Report, which includes the 2023 Housing Element Annual Progress Report, to the California Department of Housing and Community Development and Governor's Office of Planning and Research.

### **THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:**

**Operate in a Businesslike Manner**

**Pursue City's Goals and Objectives by Working with Other Governmental Agencies**

**Focus Resources in Ontario's Commercial and Residential Neighborhoods**

**FISCAL IMPACT:** There is not a direct fiscal impact associated with this action.

### **BACKGROUND & ANALYSIS:**

**General Plan Annual Progress Report:** California Government Code Section 65400 requires that all cities and counties annually prepare and submit reports on their General Plan and, specifically, on their Housing Element. The General Plan Annual Progress Report (APR) and Housing Element (APR) are submitted to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD) by April 1st of each year. The General Plan APR reports on the overall status of the General Plan and the progress in its implementation. The Housing Element APR reports on residential building activity throughout the year.

The Ontario Plan (TOP) was adopted by the City Council on January 27, 2010. A technical update to the TOP (TOP 2050), which includes the City's Policy Plan (General Plan), was approved on August 16, 2022. Previously, on March 15, 2022, the City Council adopted the 2021-2029 Housing Element, which was certified by HCD on October 7, 2022. The 2023 General Plan APR (Resolution Attachment "A") summarizes progress toward implementation of the nine elements of the General Plan. As outlined in the report, the City continues to make substantial progress towards the 300-plus goals and policies identified in the Policy Plan.

**Housing Element Progress Report:** In accordance with California Government Code Section 65400, a report analyzing the City's progress towards compliance with the adopted Housing Element must be submitted to HCD and OPR annually. Cities and counties with compliant Housing Elements and up-to-date Housing Element APR submissions gain access to State grant funding (e.g., SB 2 Building Homes and Jobs Act and the Local Early Action Planning (LEAP) grants program). The APR for the calendar year 2023 is the second progress report for the 2021-2029 Housing Element.

Since the enactment of SB 35 and AB 879 2018 in 2018, the reporting requirements for the APR have significantly increased. Previously, reporting on issued building permits and the status of housing programs identified in The Ontario Plan was required. For the 2023 calendar year, reporting requirements have been expanded to include housing applications, entitlements, building permits issued, certificates of occupancy issued, and projects submitted under the new streamlining provisions. The reporting must also include the assessor's parcel number (APN), address, and local jurisdiction identification number, as well as reporting on the status of all housing programs. The Housing Element APR (Resolution Attachment "A") tracks housing activity from January 1, 2023, to December 31, 2023. The tables in the APR include the following:

- **Table A - Housing Development Applications Submitted:** This table tracks and identifies each application submitted, unit type, application submittal date, unit count (including affordability by housing income), total units, units approved, units disapproved, and project streamlining during the reporting period. The City received applications for 1,581 units during the reporting period, including 7 units in the Moderate-Income category and 1,574 units in the Above Moderate-Income category. Of those units submitted, 233 units were approved, and 1,348 were still awaiting final approval.
- **Table A2 - Annual Building Activity Report Summary - New Construction, Entitled, Permits, and Completed Units:** This table identifies each project submitted, unit type, affordability by household income for completed entitlement, affordability by household income for building permits, affordability by household income for certificates of occupancy, streamlining, financial assistance, deed restrictions, and demolished/destroyed units. Entitlements were approved for 1,678 units (this total includes applications submitted in prior years). Building permits were issued for 1,557 units. Certificates of Occupancy were issued for 616 units (which include issued building permits from calendar years since 2019). *Table A2 is not attached to this report due to its size and printing limitations; however, copies are available from the Records Management Department.*
- **Table B - Regional Housing Needs Allocation Progress - Permitted Units Issued by Affordability:** This table summarizes the City's progress towards meeting the Regional Housing Needs Allocation (RHNA). The table identifies the number of units permitted by the affordability category and identifies progress toward meeting the RHNA allocation. The report identifies the progress on these implementing programs and progress toward the City's RHNA allocation. This report covers year 2 of an 8-year cycle (100% of the Housing Element/RHNA cycle). Within this planning cycle, the City has issued permits to 19% of the total identified RHNA allocation. In 2023, the City issued building permits for a total of 30 units in the Very Low-Income category (for households with incomes ranging from 0-50% of

the area median income (AMI)), 20 units in the Low-Income category (for households with incomes between 50-80% of the AMI), and 1,507 units in the Above Moderate-Income category (for households earning above 120% of the AMI). This included 1,235 single-family units, 194 multi-family units, and 128 Accessory Dwelling Units (ADUs).

- **Table C - Sites Identified or Rezoned to Accommodate Shortfall Housing Need:** This table identifies those parcels rezoned during the year to address a shortfall of available sites to meet the City's RHNA allocation. During the reporting period, a total of 5 properties were rezoned to a comply with the no net loss law. The distribution of units includes 27 in the very low-income category, 26 in the low-income category, 53 units in the moderate-income category, and 165 units in the above-moderate-income category.
- **Table D - Program Implementation Status pursuant to Government Code Section 65583:** This table provides a summary of the City's annual progress in implementing programs and statutory requirements of the 2021-2029 Housing Element. The Housing Element identifies four major categories of housing goals and includes 34 implementing programs to accomplish these goals. The four major categories include: Neighborhoods and Housing Supply and Diversity Government Constraints Housing Assistance. The attached narrative includes a more detailed explanation of each of the Housing Programs, its objective, timeframe, and status.
- **Table E - Commercial Development Bonus Approved pursuant to Government Code Section 65915.7:** This table identifies those commercial sites receiving a development bonus for contributing to or providing affordable housing. There were no projects to report on during the reporting period.
- **Table F - Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code Section 65583.1(c):** This table is optional and allows jurisdictions to list (for informational purposes) units that were substantially rehabilitated, acquired, or preserved, but do not count towards the RHNA. Units may only be credited towards the RHNA when they are included as part of a specific program that meets Government Code Section 65583.1(c)(2). There were no projects to report on during the reporting period.
- **Table F2 - Above Moderate-Income Units Converted to Moderate Income pursuant to Government Code Section 65400.2:** For up to 25% of a jurisdiction's moderate-income regional housing needing allocation, the Planning Department may include the number of units in an existing multi-family building that was converted to deed-restricted rental housing for moderate-income households by the imposition of affordability covenants and restrictions for the unit. There were no Above Moderate-Income units converted to Moderate Income during the reporting period.
- **Table G - Locally Owned Lands Included in the Housing Element Sites Inventory that have been sold, leased, or otherwise disposed of, pursuant to Government Code section 65400.1:** This table is only to be filled out if the housing element sites inventory that contains a site which is or was owned by the reporting jurisdiction and has been sold, leased,

or otherwise disposed of during the reporting year. There were a total of 4 properties sold for an affordable housing project.

- **Table H - Locally Owned or Controlled Lands Declared Surplus Pursuant to Government Code Section 54221 or Identified as Excess Pursuant to Government Code Section 50569:** This table is used to create an inventory of surplus lands and all lands over its foreseeable needs if any, that a City owns or controls. There were no locally owned or controlled lands to report on during the specified reporting period.
- **Table J - Student Housing With Density Bonus:** This table only needs to be completed if there was student housing constructed with a density bonus approved subject to Government Code Section 65915(b)(1)(F). There was no student housing constructed during this period.
- **Table K - Tenant Preference Policy:** Local governments must inform the California Department of Housing and Community Development about tenant preference ordinances in their annual housing progress report. Starting January 1, 2023, if a local government adopts such an ordinance, they must create a webpage on their official site within 90 days, displaying the ordinance and supporting materials. The City does not currently have a tenant preference ordinance in place.
- **LEAP Grant Reporting:** Cities are required to report on the status of their Local Early Action Planning (LEAP) grant. Ontario was awarded \$500,000 in LEAP funding and applied those funds toward the TOP 2050 Update. The City has submitted a LEAP request for reimbursement of funds totaling \$500,000.

Staff recommends the City Council accept the General Plan and Housing Element Reports and approve the Resolution authorizing submittal of the reports to the State.