



## City Council Staff Report

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<b>Subject:</b>	2023 Housing Element Annual Progress Report (APR) and 2022-2023 Housing Successor Agency Annual Report
<b>Date:</b>	March 26, 2024
<b>Submitted By:</b>	David Mohlenbrok, Director of Community Development Bret Finning, Planning Services Manager Anna Leanza, Principal Planner
<b>Department:</b>	Community Development

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**Recommendation:**

Receive a Report and Adopt a Resolution of the City Council of the City of Rocklin Accepting the 2023 Housing Element Annual Progress Report / 2022-2023 Housing Successor Report and Directing Submittal to the State Department of Housing and Community Development (HCD) and the State Office of Planning and Research (OPR).

**Background:**

California Government Code Section 65400 requires every jurisdiction to submit an annual Housing Element Progress Report to the State Department of Housing and Community Development (HCD) and the State Office of Planning and Research (OPR). The progress report (Exhibit A to the Resolution, identified as Attachments 2-15 of this report) identifies how the City is working to meet its share of the regional housing needs identified in the City's 2021-2029 Housing Element. Exhibit B to the Resolution (Attachment 16) is the Fiscal Year (FY) 2022-2023 Housing Successor to Redevelopment Agency Annual Report, per reporting requirements of Senate Bill 341 (California Health and Safety Code Section 34176.1(f)).

The Housing Element Annual Progress Report (APR) illustrates the number of building permits issued in the reporting period (2021-2029) for calendar year 2023 for residential units affordable to lower-, moderate-, and above moderate-income categories. Also included in the APR is the implementation status of the housing programs adopted with the 2021-2029 Housing Element.

Table A-2 of the APR (Attachment 3), as formatted by the State, contains a large number of columns and rows making it difficult to print a legible version. The online staff report packet contains a PDF version of the document with zoom-in capability. Members of the public without electronic devices may contact City Staff at (916) 625-5161 to make arrangements to view the table in person at City offices.

The following discussion provides a summary of the information contained within the APR specific to total housing units, affordability determinations, accessory dwelling units (ADUs), and the different affordability levels of the City's housing production.

#### Total Housing Units

Housing activity has slowed considerably in calendar year 2023, with a total of 179 single-family residential permits finalized (permits that have passed final inspection and are ready to be occupied) including 15 ADUs, as well as 11 multi-family residential permits finalized, resulting in 194 new dwelling units. A total of 380 housing units were constructed in the City of Rocklin in 2023. It should be noted that a single building permit associated with each multi-family building typically contains multiple units, hence the discrepancy between total building permits and total units.

In addition to finalized building permits, a total of 145 single-family residential building permits were issued, including ten ADUs, for a total of 155 units. Ten multi-family residential building permits were issued, for a total of 56 units. Further, the Terracina at Whitney Ranch 100 percent affordable project, consisting of 285 income restricted units, will likely be completed this year. When the Terracina units are finalized, it will reduce the City's total RHNA obligation by 285 units.

#### Affordability Determinations

The affordability of each unit in this report was determined based on marketing data, actual purchase prices associated with for-sale products (when available), square footages of similar products when affordability was known for one and could not otherwise be obtained for other similar units, and phone interviews or other correspondence with land owners to determine rental rates for ADUs.

#### ADUs

Fifteen ADUs were constructed in the 2023 reporting period. Two were constructed by home owners who did not respond to staff's request for rental information. Rent could not be determined for the remaining 13 as they were built as options of new single-family homes constructed in developing subdivisions and owners have not been identified. Since the City cannot document the rental rates or the "no rent" status of those units, staff must default and assign them to the above moderate-income category.

#### Extremely low-, Very low-, and Low-Income Units

No units built in 2023 were set aside for households in the extremely low-, very low-, or low-income categories.

#### Moderate-Income Units

In the 2023 reporting period, no units were set aside for households in the moderate-income category.

#### Above Moderate-Income Units

A total of 380 building permits were finalized and 155 permits were issued for units in the above moderate-income category.

In summary, the City has made progress toward meeting its Regional Housing Need Allocations (RHNA) in the 2023 reporting period with units constructed in the above moderate-income category. Progress in the development of housing meeting the income needs of lower-

income households remains a priority. The City, on an ongoing basis, continues to evaluate the inventory of available sites zoned for development at densities that provide the potential for lower income units to be constructed.

This report complies with the submission requirements of State law and is consistent with the guidelines set forth by the HCD, including a detailed assessment of Housing Program Accomplishments in Table D of Exhibit A to the resolution (Attachment 6) and the 2022-2023 Housing Successor Agency Annual Report which is attached as Exhibit B to the resolution (Attachment 16). All tables which have been left blank in Exhibit A are required to be included in the report, but without any data in instances where there was no activity to report during the reporting period, or if the tables involve topics which do not apply to the City.

**Fiscal Impact:**

There is no fiscal impact to the General Fund associated with this mandatory report, which is required to be completed on an annual basis by the State of California.

**ATTACHMENTS:**

1. Resolution
2. Resolution Exhibit A - Housing Element Report - Table A
3. Resolution Exhibit A - Housing Element Report - Table A2
4. Resolution Exhibit A - Housing Element Report - Table B
5. Resolution Exhibit A - Housing Element Report - Table C
6. Resolution Exhibit A - Housing Element Report - Table D
7. Resolution Exhibit A - Housing Element Report - Table E
8. Resolution Exhibit A - Housing Element Report - Table F
9. Resolution Exhibit A - Housing Element Report - Table F2
10. Resolution Exhibit A - Housing Element Report - Table G
11. Resolution Exhibit A - Housing Element Report - Table H
12. Resolution Exhibit A - Housing Element Report - Table J
13. Resolution Exhibit A - Housing Element Report - Table K
14. Resolution Exhibit A - Housing Element Report - LEAP Reporting
15. Resolution Exhibit A - Housing Element Report - Annual Progress Report Summary
16. Resolution Exhibit B - Housing Successor Annual Report 03.26.2024