

City Council Staff Report

Subject:	2022 Housing Element Annual Progress Report (APR) and 2021-2022 Housing Successor Agency Annual Report
Date:	March 28, 2023
Submitted By:	David Mohlenbrok, Director of Community Development Laura Webster, Director of Long Range Planning and Housing Leslie Woodman, Housing Specialist
Department:	Community Development

Recommendation:

Adopt a Resolution of the City Council of the City of Rocklin Accepting the 2022 Housing Element Annual Progress Report / 2021-2022 Housing Successor Report and Directing the Submittal to the State Department of Housing and Community Development (HCD) and the State Office of Planning and Research (OPR).

Background:

State law requires the City of Rocklin 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). This report is due to the State each year by April 1st. The progress report (Exhibit A to the Resolution) identifies how the City is meeting its share of the regional housing needs identified in the City's 2021-2029 Housing Element. Also attached to the progress report is the fiscal year (FY) 2021-2022 Housing Successor to Redevelopment Agency Annual Report, per reporting requirements of Senate Bill 341 (California Health and Safety Code Section 34176.1(f)).

Government Code Section 65400 requires preparation of an Annual Progress Report (APR) on the status of the Housing Element of the General Plan and its progress in its implementation. The attached report shows the number of building permits issued in the reporting period associated with calendar year 2022 for residential units which were affordable to various Lower, Moderate and Above Moderate Income categories as well as the implementation status of the housing programs contained in the 2021-2029 Housing Element. This is the 6th Cycle Housing Element and the timeframe covered in the 2022 APR is from January 1, 2022 to December 31, 2022.

Table A-2, as formatted by the State, contains a large number of columns and rows making it difficult to print a legible version. However, 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 Housing Division Staff at (916) 625-5592 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 continues to remain strong in calendar year 2022 with a total of 224 residential building permits issued during the reporting period for a total of 559 units. 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. Although the state requests information on demolished units, only permits issued for new construction count toward the City's production of housing and its progress toward meeting Regional Housing Needs Allocation (RHNA) requirements.

Building Permits Issued in the 6th cycle portion of Calendar Year 2022 consisted of 559 total units (192 Single-Family units, 351 Multi-Family units and 16 ADUs.

Affordability Determinations

The affordability of each unit in this report was determined based upon 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.

<u>ADUs</u>

The owners of 3 of the accessory dwelling units that were constructed in the 2022 reporting period do not intend to rent the units out. The owners plan to have them occupied by family members; therefore staff assigned them to the Extremely Low Income category as occupants in those living units will not be paying any rent. Rent could not be determined for the remaining 13 ADUs since they are part of new single-family units being constructed and owners have not been identified. Since the City cannot document the rental rates or the "no rent" status of those units, we must default and assign them to the Above Moderate category.

Extremely Low, Very Low and Low Income Units

A total of 12 building permits were issued for the 288 unit multi-family project, Terracina at Whitney Ranch. Each permit consisted of 24 units. The affordability requirements established in the Affordable Housing Regulatory Agreement for the project consisted of 29 units to be occupied by Extremely Low Income Households, 60 units to be occupied by Very Low Income Households, 196 units to be occupied by Low Income Households, and 3 employee units. The 3 employee units were assigned to the Above Moderate Income category.

Moderate Income Units

In the 2022 reporting period, building permits were issued for 32 units within the Moderate Income category. These were located within the Stanford Terrace project.

Above Moderate Income Units

Production of single-family homes in the Above Moderate category also remains strong with 192 building permits issued for units in that income category.

The remainder of the permits issued in the Above Moderate category were multi-family units in the Stanford Terrace project (31 units) and as previously mentioned, 3 employee units in the Terracina at Whitney Ranch project and 13 ADUs.

In summary, the City has made good progress toward meeting its Regional Housing Need Allocations (RHNA) in the 2022 reporting period with units constructed in the Extremely Low, Very Low, Low, Moderate and Above Moderate categories. It should be noted that even though some units have been constructed as Extremely Low, the state issued Excel tables within which staff must enter all data automatically identifies them as Very Low in the upper portion of Table B. However, they are captured in a subsection below the primary table. The City continually evaluates the inventory of available sites at densities providing 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 HCD, including a detailed assessment of Housing Program Accomplishments in Table D of Exhibit A, and the 2021-2022 Housing Successor Agency Annual Report, which is attached as Exhibit B to the resolution. 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:

None. This is a mandatory report required to be completed on an annual basis by the state of California.

ATTACHMENTS:

- 1. Resolution
- 2. Resolution Exhibit A Table A
- 3. Resolution Exhibit A Table A2
- 4. Resolution Exhibit A Table B
- 5. Resolution Exhibit A Table C
- 6. Resolution Exhibit A Table D
- 7. Resolution Exhibit A Table E
- 8. Resolution Exhibit A Table F
- 9. Resolution Exhibit A Table F2
- 10. Resolution Exhibit A Table G
- 11. Resolution Exhibit A Table H
- 12. Resolution Exhibit A Table I
- 13. Resolution Exhibit A Table J
- 14. Resolution Exhibit A LEAP Reporting
- 15. Resolution Exhibit A Summary
- 16. Resolution Exhibit B 21-22 Housing Successor Report