



Legislation Text

File #: 25-0048, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Talyn Mirzakhanian, City Manager

FROM:

Ryan Heise, Acting Community Development Director
Adam Finestone AICP, Planning Manager
Jaehee Yoon AICP, Senior Planner

SUBJECT:

Receive and File the 2024 Sixth Cycle Housing Element Annual Progress Report as Required by the California Department of Housing and Community Development (No Budget Impact) (Acting Community Development Director Heise).

RECEIVE AND FILE

RECOMMENDATION:

Staff recommends that the City Council receive and file the Sixth Cycle Housing Element Annual Progress Report for calendar year 2024.

FISCAL IMPLICATIONS:

There are no fiscal implications associated with the recommended action. By filing the report with the California Department of Housing and Community Development (HCD) and the State of California Office of Planning and Research (OPR), the City will be in compliance with Government Code Section 65400.

BACKGROUND:

The Housing Element is one of the State-mandated Elements of a General Plan. The current sixth cycle planning period for the Housing Elements of cities in the Southern California Association of Governments (SCAG) region extends through 2029. The City's 2021-2029 Housing Element was initially adopted by the City Council on March 22, 2022, followed by a subsequent adoption on September 23, 2022, with revisions. Upon establishment of the Residential Overlay District (ROD) via zoning map, General Plan, and municipal code text amendments (adoption of Chapter 10.50 of the Manhattan Beach Municipal Code), and incorporation of technical modifications to the adopted Housing Element, the City obtained HCD certification of the Housing Element on July 27, 2023.

Pursuant to Government Code Section 65400, by April 1 of each year, every municipality shall prepare and submit a Housing Element Annual Progress Report (APR) to HCD and OPR. Prior to filing the report with HCD and OPR, the report must be considered by the City Council at a public meeting, where members of the public can provide oral testimony and written comments. The State

uses the information submitted by the City to identify statewide trends in the land use decision making process, and to determine how local planning and development activities relate to statewide planning goals, policies, and housing needs.

DISCUSSION:

The Housing Element APR is prepared on standard forms provided by HCD. The information contained in the APR includes, but is not limited to, the number of building permits issued for construction of new housing units and the associated affordability level of those units; the number of residential demolition permits issued as it relates to new construction; the submittal and approval of planning entitlements proposing residential development; and the City's progress toward meeting its Regional Housing Needs Allocation (RHNA).

Each jurisdiction's RHNA is prescribed by SCAG and is derived from the statewide allocation. SCAG prescribes the number of additional housing units necessary at different income levels in order for each municipality in the region to accommodate their fair share of anticipated population growth during the planning period. The sixth cycle (2021-2029) RHNA obligations, as allocated by SCAG, set forth the goal of 774 units for Manhattan Beach during the planning period, divided into the following four household income categories:

- Very-Low Income - 322 units
- Low Income - 165 units
- Moderate Income - 155 units
- Above-Moderate Income - 132 units

Between January 2024 and December 2024, the City issued 209 building permits for new residential construction. Specifically, 202 units at above-moderate income level and seven units for very low-income households. There were 77 corresponding demolition permits issued, which resulted in 132 net new units. This is a significant increase from prior years resulting from two multi-family residential developments permitted on commercially zoned properties, as well as a steady, gradual increase in the number of permits issued for accessory dwelling units (ADUs). The adopted Sixth Cycle Housing Element identifies a number of programs to assist the City in reaching its affordable housing goals, which include, but are not limited to:

- Implementation of the mansionization ordinance and prevention of lot mergers in single-family zones that reduce future housing capacity
- Providing lot consolidation incentives for multi-family residential developments and assisting affordable housing developers in identifying opportunities for lot consolidation
- Ensuring the City's Density Bonus ordinance is consistent with State law
- Supporting fair/equal housing programs
- Allowing by-right development and rezoning for qualifying sites identified to accommodate the lower-income RHNA units (This was accomplished through establishment of the Residential Overlay District (ROD))
- Preserving existing affordable senior housing
- Encouraging the development of ADUs

In total, the Sixth Cycle Housing Element includes 31 programs that cover various areas to continue to encourage and promote the development of housing for all income levels. Progress on these

programs is documented in Table D of the attached report.

PUBLIC OUTREACH:

While public outreach and notification is not required for this item, staff continues to engage with the public on housing-related issues addressed in the Sixth Cycle Housing Element. For example, a dedicated webpage on the ROD regulations have been created and a community forum on the same topic is scheduled for the public on April 9, 2025, at the Joslyn Community Center.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA and no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENT:

1. 2024 Housing Element Annual Progress Report
2. Sixth Cycle Housing Element (Web-Link Provided)