

encinitas

yesterday...today...tomorrow

GENERAL PLAN UPDATE

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RHNA Determination – HCD's regional housing needs determination, in four income categories, for the region as a whole.

RHNA Plan – SANDAG's regional housing need plan includes a methodology for allocating a share of the RHNA Determination to each city and county in four income categories.

RHNA Allocation – The allocation is each local government's regional housing need, or number of units, which is required to be addressed in local housing elements.

General Plan Update Newsletter

Regional Housing Needs

All cities are required by state law to prepare and adopt a General Plan. A General Plan is a key tool for influencing the city's quality of life and addresses a wide variety of subject areas including the development, preservation, health, and safety of a community. The City of Encinitas began the update of its General Plan in early 2010 primarily to strengthen existing policies and to address recent court cases and state law or guideline changes. The draft General Plan was released to the public on September 1, 2011.

The Housing Element is one of the seven mandated elements of a General Plan. The content and process by which a Housing Element is prepared is prescribed in Government Code Section 65583. Housing Element law, enacted in 1969, requires local governments to adequately plan for existing and projected housing needs of all economic segments of the community. [This newsletter addresses the Regional Housing Needs Assessment \(RHNA\) process, forecasting regional housing needs, and the development of a local plan that accommodates a "fair share" of the region's housing need.](#)

RHNA Overview:

The Housing Element update process begins with the State Department of Finance allocating a region's share of the statewide housing need based on Department of Finance population projections and forecasts used in preparing regional transportation plans. The objective of the process is to promote the following objectives to:

1. Increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner;
2. Promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns; and
3. Promote an improved intraregional relationship between jobs and housing.

The law acknowledges that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans which provide opportunities for and do not unduly constrain housing development. As a result, housing policy in the state rests largely upon the effective implementation of local General Plans. Therefore, the Housing Element addresses in greater detail, the manner in which the city will accommodate all types of housing needs for all income levels in the city for a planning period (short-term housing needs).

The San Diego Association of Governments (SANDAG), in consultation with the State Department of Housing and Community Development (HCD), is required by California state law to undertake a Regional Housing Needs Assessment (RHNA) prior to each

planning period. For each Housing Element cycle, HCD determines the forecasted housing need for the region, and then SANDAG distributes a share of housing need to each local jurisdiction. The RHNA process allows communities to anticipate growth, so that the region and subregion can grow in ways that enhance quality of life, improve access to jobs, promotes transportation mobility, and addresses social equity, and fair share housing needs.

The RHNA process has three components. The RHNA Determination is a regional housing needs determination, in four income categories. The overall regionwide housing need for the Housing Element cycle is based primarily on projections from the California Department of Finance and the SANDAG 2050 Regional Growth Forecast. The RHNA Plan includes a methodology for allocating a share of the RHNA Determination to each city. The RHNA Allocation is each local government's regional housing needs allocation, which is required to be addressed in local Housing Elements. On October 27, 2011, the SANDAG Board adopted the methodology for distributing the overall RHNA Determination to local jurisdictions. The RHNA Allocation process quantifies the need for housing by income category within each jurisdiction during specified planning periods. The RHNA Allocation for Encinitas for the four income categories is provided below.

	RHNA Allocation by Income Category				
	11-Year RHNA	Very Low	Low	Moderate	Above Moderate
Encinitas *	2,353	587	446	413	907
11-Year RHNA Determination (Region Total)	161,980	36,450	27,700	30,610	67,220

*RHNA Allocation by income category is from January 2010 to December 2020.

Local governments use the RHNA Allocation in land use planning and in deciding how to address existing and future housing needs resulting from population, employment and household growth. Encinitas' existing land use plan can accommodate some of the overall allocation; however, the city must demonstrate how it can reach the minimum allocation for each category and shall determine whether each site in the inventory can accommodate some portion of its share of the RHNA by income level. The city must provide an analysis demonstrating how the adopted densities in the city accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone that provides housing for lower income households. These issues are addressed in the Housing Element. Based on state law, the key density to support the lower-income household categories is 30 units per acre.

The total lower-income household allocation for the 2013-2020 cycle is 1,033 units. Additionally, there is a 239 unit carryover from the last planning cycle. AB 1233 was signed into law in October, 2005 and states that if a jurisdiction fails to provide adequate sites in the prior planning period, within one year of the new cycle, the jurisdiction must rezone/upzone adequate sites to accommodate the shortfall. This requirement is in addition to rezoning/upzoning that may be needed to address the RHNA Allocation for the new cycle. The city's shortfall from the previous cycle carries over into the 2013-2020 planning cycle. The calculated shortfall is 239 lower income household units (at 30 units per acre). Future planning cycles will also be penalized similarly unless the city can accommodate its full share. Therefore, the city's land use plan must provide a sites inventory that has the potential to accommodate 1,272 units at 30 units per acre. Although these RHNA units have been assigned to Encinitas, all of these units may not necessarily be built within the Housing Element cycle because of market conditions, property owner decisions, and availability of loans/subsidies.

Government Code Section 65583 requires local governments to prepare an inventory of land suitable for residential development. In the updated Housing Element, the city's land inventory must identify specific sites suitable for the development of housing within the planning period and that are sufficient to accommodate the share of the regional housing need for all income levels. Land suitable for residential development includes vacant sites zoned for residential use, vacant sites zoned for nonresidential use that allow residential development, underutilized residential sites capable of being developed at a higher density, and sites zoned for nonresidential use that can be redeveloped for, and as necessary, rezoned for, residential use.

In response to community member, resident and stakeholder feedback, one of the objectives of the General Plan Update is to achieve a sustainable and integrated system of land use and transportation. This will ultimately address how (and if) the city can accommodate growth and mobility demands while enhancing the city's community character and quality of life.