



Envision
PALMDALE 2045

Presentation to Planning Commission

Housing | May 13, 2021

AGENDA

Welcome! Tonight, we will review...

- Housing background
- New housing laws
- Housing Element requirements
- Housing Element Update





Housing Element Update

What is the Housing Element?

- One of the seven mandated elements of the General Plan
- An assessment of the City's housing needs and how best to accommodate the needs of existing and future residents
- Different from other elements: subject to detailed statutory requirements rather than guidelines and must be updated periodically
- Must be updated every 8 years and adopted by statutory deadline
- SCAG Region deadline: October 15, 2021 (with 120-day grace period)
- Must be reviewed by the State Department of Housing and Community Development (HCD) for compliance
- 2021-2029 (Sixth Cycle) Housing Element

Housing Element Requirements

- **Assessment of Current and Future Housing Needs**
- Projected housing demand, as mandated by the State (RHNA)
 - Adequate Sites Inventory
- **Analysis of Opportunities and Constraints on Housing**
- **Housing Programs to address Housing Needs**
 - Increase housing production to meet this demand
 - Preserve existing affordable housing
 - Improve the safety, quality and condition of existing housing
 - Facilitate the development of housing for all income levels and household types including special needs populations
 - Promote fair housing choice for all
- **Quantified Objectives for Development, Rehabilitation, and Conservation of Housing over Planning Period**

HCD Finding of Compliance

- Legally adequate General Plan
- Presumption of validity in case of lawsuit
- Eligibility for housing and related funds
 - CalHFA
 - SB2/LEAP grants
 - Regional transportation/infrastructure funds
- Avoid penalty
 - Risk of litigation (AB 72, AB 101)
 - Court can impose fines up to \$100,000 per month
 - Suspension from issuing building permits (Pleasanton)
 - Four-year review instead of eight-year review
 - Rollover of unaccommodated RHNA if adequate sites are not identified

Consequence of Noncompliance

- **Risk of Litigation**

- HCD monitoring non-compliant jurisdictions
- Huntington Beach sued by AG for continued inaction
- Pomona and San Clemente sued by nonprofits

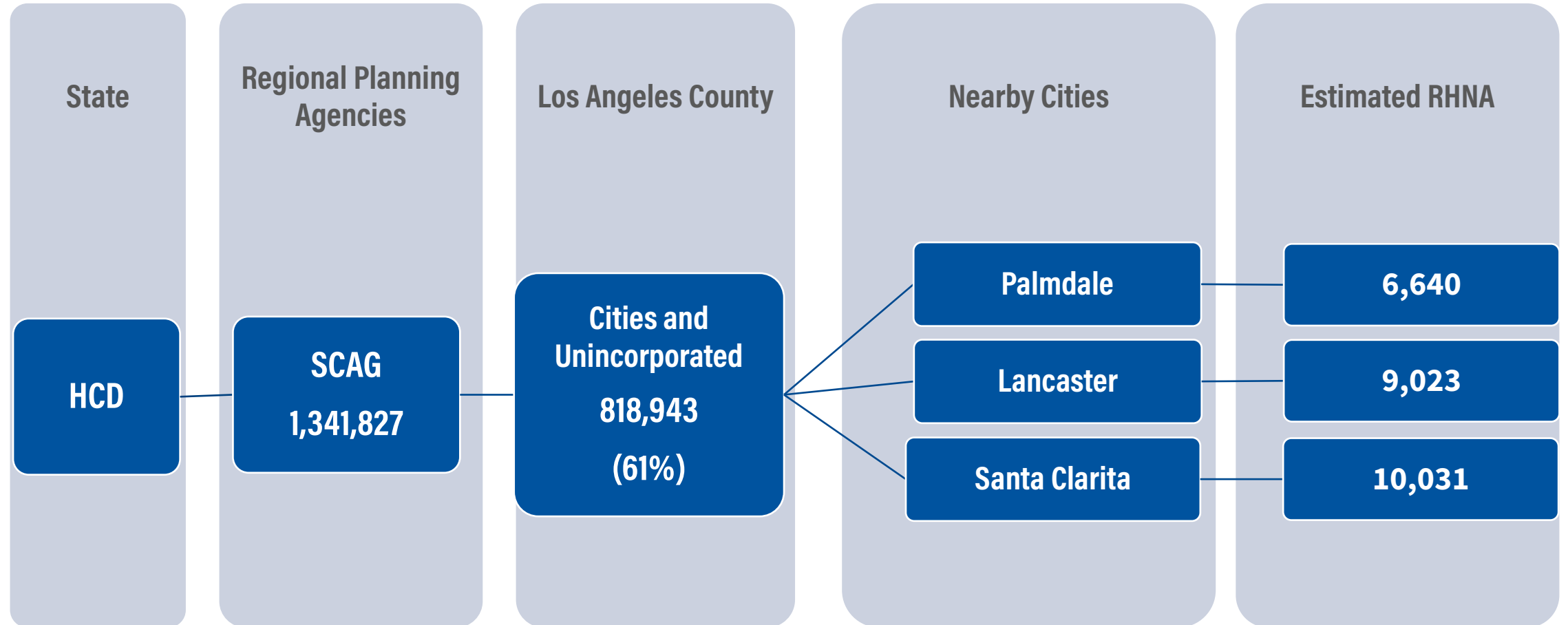
- **Ineligibility for State grants**

- SB 2 grant
- Housing Trust Funds
- Other infrastructure/transportation funds being considered

Major Changes

- Comprehensive update to demographic and housing data
- Discussions to address new State laws
 - RHNA Accommodation, Sites Inventory, and No Net Loss
 - ADU laws and laws related to Homeless and Special Needs
- Adjusted housing programs to reflect new programs that address RHNA and new state laws
 - Facilitating ADUs
 - Affirmatively furthering fair housing (AFFH)
 - Remove programs no longer appropriate to City
 - Consolidate programs/actions with similar objectives
 - Adjust level of commitments based on past accomplishments

Regional Housing Needs Allocation (RHNA) – 2021-2029



Income Distribution of RHNA

Income Group	RHNA	Percent
Very Low Income (50% AMI)	1,777	26.8%
Low Income (80% AMI)	935	14.1%
Moderate Income (120% AMI)	1,004	15.1%
Above Moderate Income (>120% AMI)	2,924	44.0%
Total	6,640	100.0%


Household Income Distribution

- For housing policy and program purposes, State establishes five income groups:
 - Extremely Low Income (0-30% Area Median Income or AMI)
 - Very Low Income (31-50% AMI)
 - Low Income (51-80% AMI)
 - Moderate Income (81-120% AMI)
 - Above Moderate Income (above 120% AMI)
- Workforce housing – not legally defined, but typically includes households up to 150% AMI
 - Townhomes, condos, and apartments

Household Income by Household Size (2021)

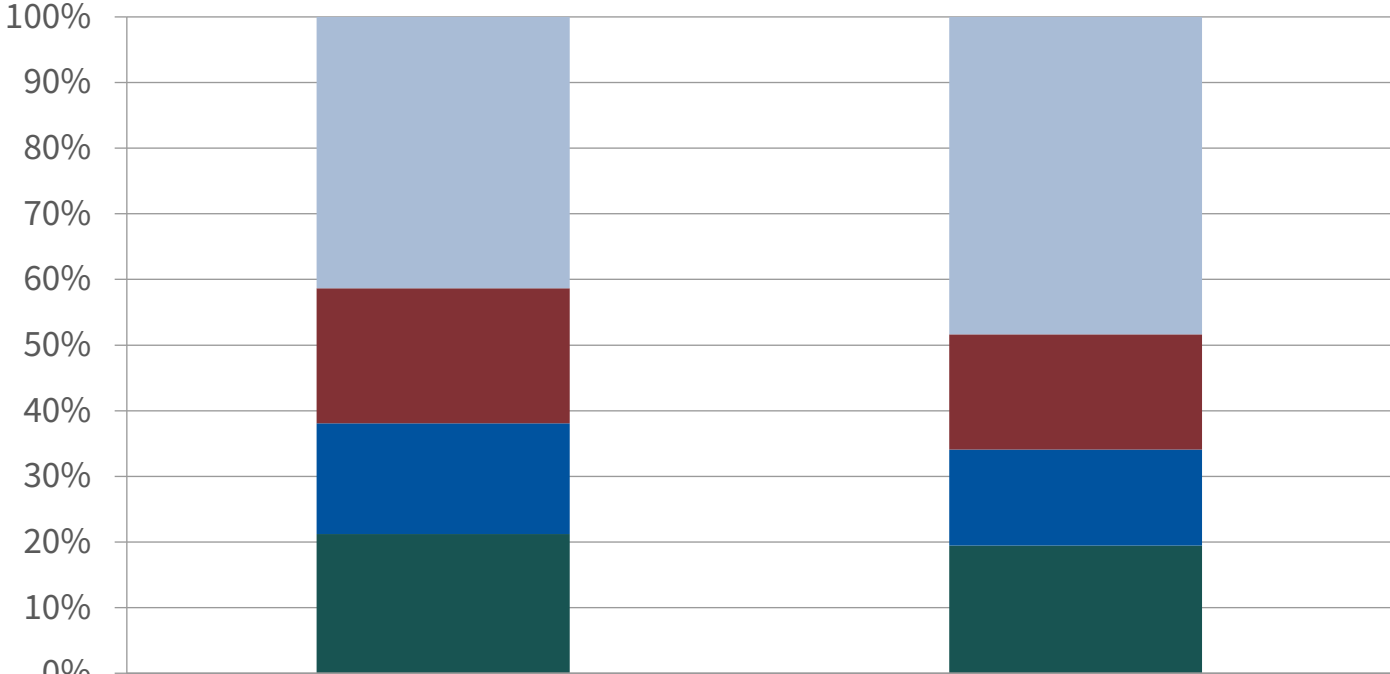
Income Group	1-Person	2-Person	3-Person	4-Person	5-Person
Extremely Low (0-30% AMI)	\$24,850	\$28,400	\$31,950	\$35,450	\$38,300
Very Low (30-50% AMI)	\$41,400	\$47,300	\$53,200	\$59,100	\$63,850
Low (51-80% AMI)	\$66,250	\$75,700	\$85,150	\$94,600	\$102,200
Median	\$56,000	\$64,000	\$72,000	\$80,000	\$86,400
Moderate (81-120% AMI)	\$67,200	\$76,800	\$86,400	\$96,00	\$103,700

Sources: California Department of Housing and Community Development, as of April 2021.



The State of Housing: PALMDALE TODAY

Household Income Distribution

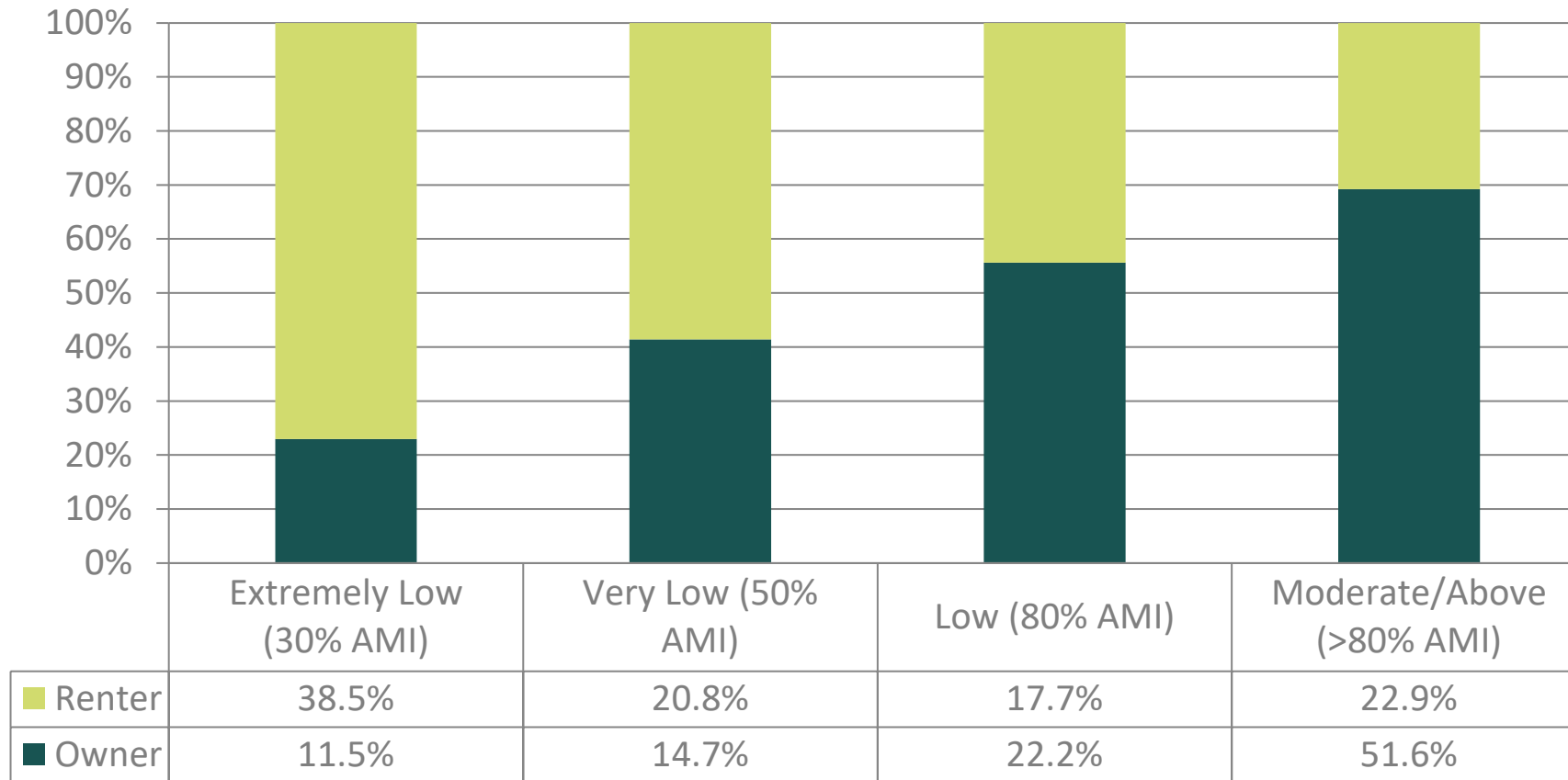


	Palmdale	Los Angeles County
Moderate/Above (>80% AMI)	41.3%	48.4%
Low (80% AMI)	20.6%	17.5%
Very Low (50% AMI)	16.9%	14.6%
Extremely Low (30% AMI)	21.2%	19.5%

Source: Comprehensive Housing Affordability Strategy, HUD, 2013-2017

Household Income Distribution

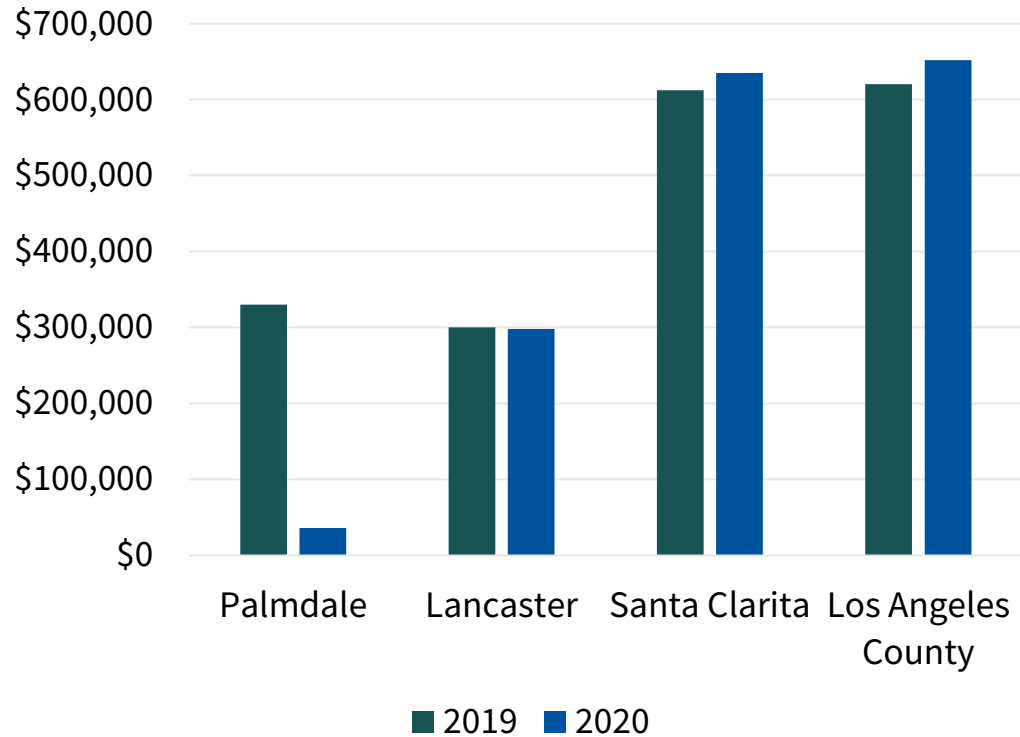
Household Income Distribution by Tenure



Source: Comprehensive Housing Affordability Strategy, HUD, 2013-2017

Housing Costs

Median Home Sales Price (2019-2020)



Source: CoreLogic, California Home Sale Activity by City, October 2020.

Average Rent by Unit Size (2021)

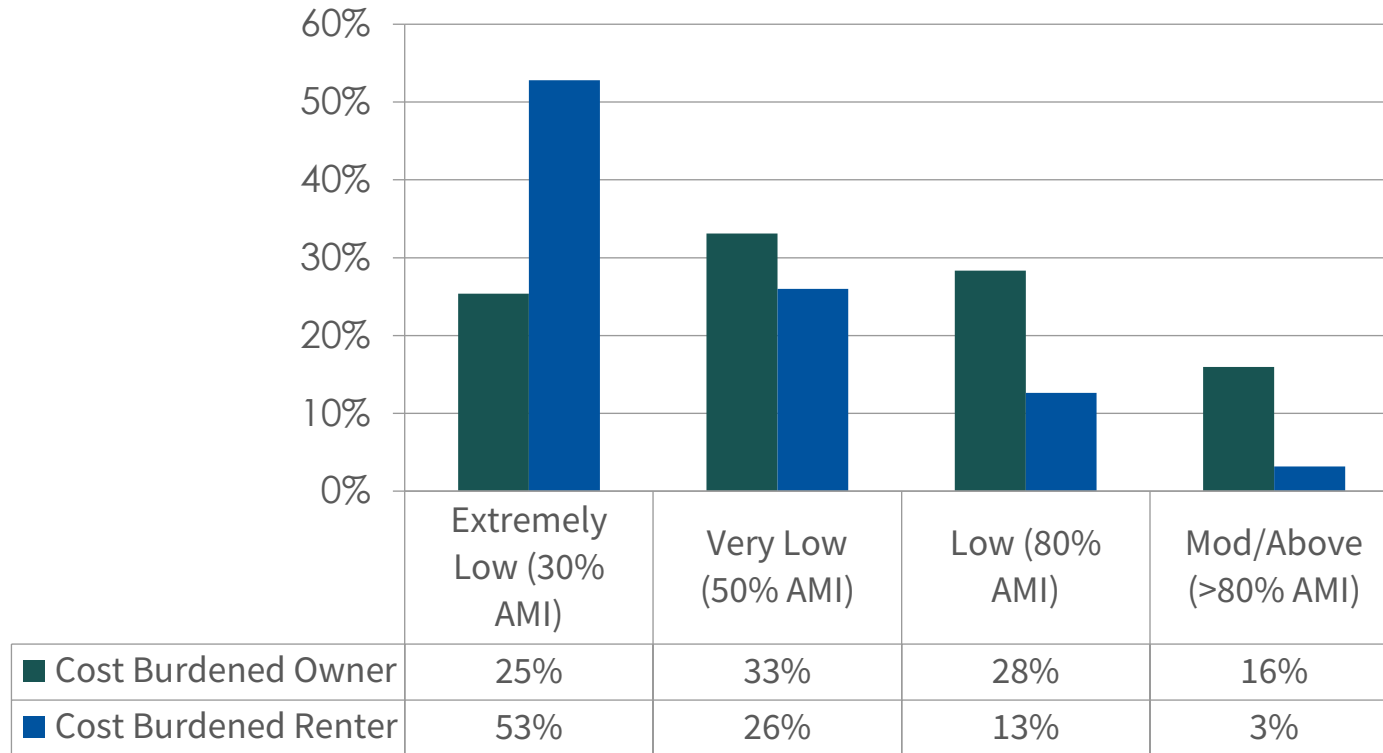
	Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms
Apartment	\$1,200	\$1,135	\$1,450	\$2,048
Single-Family Home	0	\$1,200	\$1,550	\$2,105

Source: www.Zillow.com, accessed March, 2021.

Housing Cost Burden

Housing Cost Burden by Tenure

Cost Burden = Household paying more than 30% income on housing



Source: Comprehensive Housing Affordability Strategy, HUD, 2013-2017

RHNA Strategy

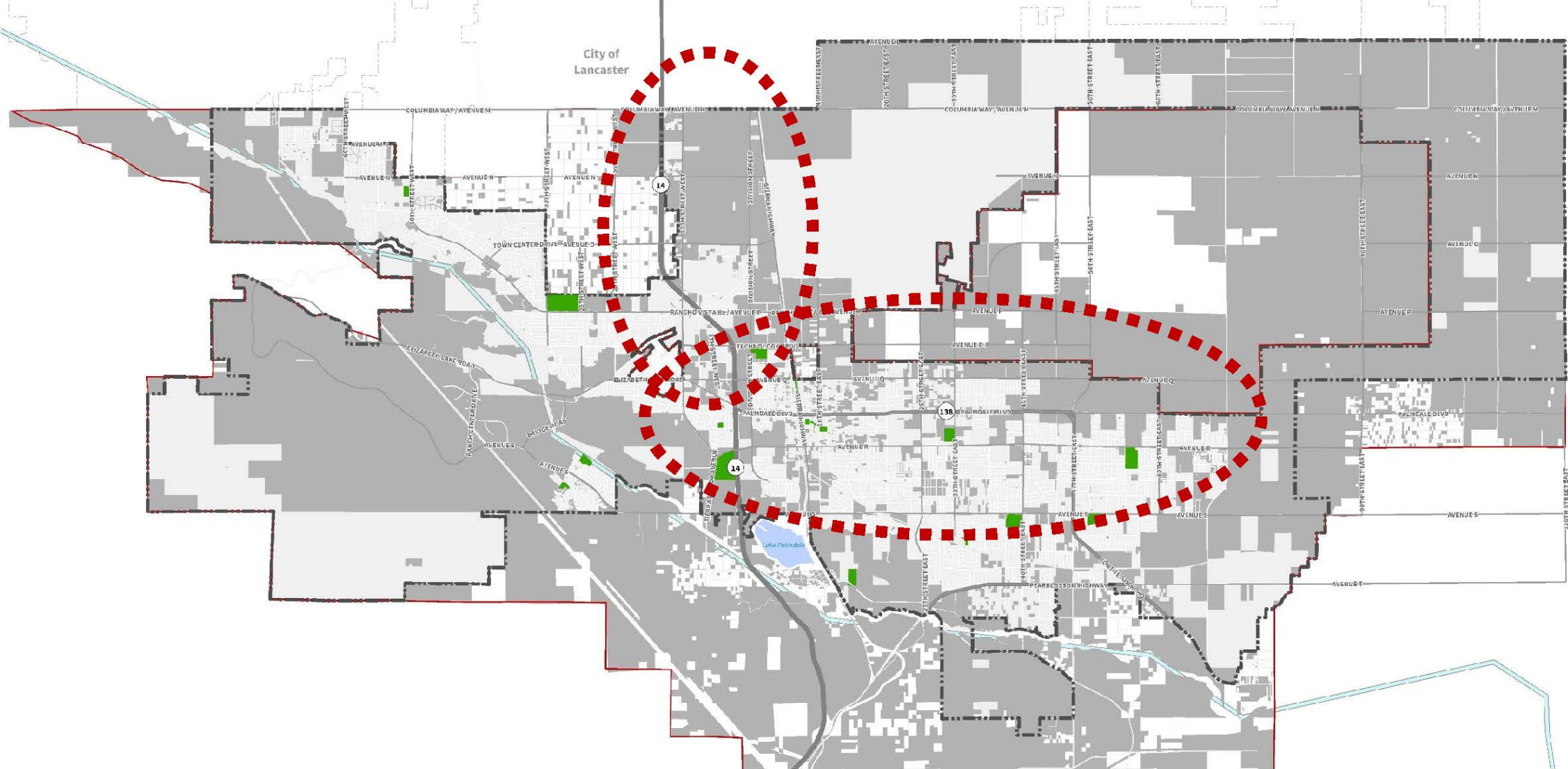
- Combination of the potential of 20 ADUs per year, entitled projects, and selected adequate sites to meet RHNA allocation.

Income (% of AMI)	RHNA	Potential ADU	Specific Plans	Vacant Sites
Extremely Low/ Very Low 0-50% AMI	2,712	109	0	3,112
Moderate 81-120% AMI	1,004	3	1,400	0
Above Moderate >120% AMI	2,924	48	838	4,233
Total	6,640	160	2,238	7,345

Anaverde Specific Plan

- 97 vacant parcels that are zoned for residential uses
- Can provide 2,238 units of housing for moderate and above moderate income RHNA at 70% of the maximum density
- Sites are located in areas with water and sewer capacities

Areas of Change and Stability



Vacant Sites

- 157 vacant parcels that are zoned for residential uses and within the Change Areas zoned Residential Neighborhood 3 (RN3)
- Can provide 7,345 units for the RHNA at the lowest density allowed, 20 du/acre
 - 3,112 for low income
 - 4,233 for above moderate income
- Sites are located in areas with water and sewer capacities

A dark teal overlay on a photograph of a residential area. In the background, a sign with the words 'PALM BANK' is visible. The scene includes a paved road, some desert vegetation like yucca plants, and distant hills under a clear sky.

Questions?



THANK YOU!

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