

Report to Mayor and City Council

Wednesday, November 04, 2020 Consent

SUBJECT:

CONSIDER THE 2019 CARSON HOUSING ELEMENT ANNUAL PROGRESS REPORT (CITY COUNCIL)

I. SUMMARY

California State Housing law requires all cities with certified Housing Elements to file an Annual Progress Report (Exhibit No. 1) with the California Housing and Community Development Department (HCD) identifying the status of the plan, the progress in the plan's implementation and the progress the City has made in meeting its share of the regional housing needs determined by the Southern California Association of Governments (SCAG) Regional Housing Needs Assessment (RHNA).

II. <u>RECOMMENDATION</u>

TAKE the following actions:

- 1. Review Carson's Annual Housing Element Progress Report.
- 2. RECEIVE and FILE.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

On October 15, 2013, the 2014-2021 Housing Element was adopted by the City Council. The adopted Housing Element was submitted to HCD for final review and certification under state law.

On December 10, 2013, HCD certified Carson's 2014-2021 Housing Element (Exhibit No. 2). The 2014-2021 RHNA allocated Carson a housing need of 1,698 units, which was broken into four categories: 447 very low-income households; 263 low-income households; 280 moderate-income households; and 708 above-moderate-income households.

Carson's Housing Element addresses the following issues:

- 1. Identification of a sufficient number of adequate sites to accommodate the identified housing needs over the planning period for all types of housing for all income levels including rental housing, manufactured housing, and mobile homes.
- Steps which will be taken to achieve the goals and objectives through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs, and, when available, funds in low- and moderateincome housing accounts.
- 3. Facilitate and assist in the development of adequate housing to meet the needs of very low-, low-, and moderate-income households and those with special needs.
- 4. To the fullest extent possible, mitigate or remove governmental restraints in order to preserve, rehabilitate, and develop housing in the City.
- 5. Promote housing opportunities for all residents of Carson.
- 6. Preserve assisted housing which is at risk of converting to market rate or non-housing uses.

The 2019 Annual Progress Report requires the City to report the progress in meeting the identified RHNA housing allocation.

The following projects' entitlements were approved by the City in 2019:

- Birch (21809-21811 S. Figueroa Street), 32-unit market rate (above moderate income) residential condominium project;
- Carson Landing (1301 E. Victoria Street), 175-unit condominium market-rate project that includes 95 three-story row townhomes and 80 three-story stacked flats;
- Carson Upton (1007 E. Victoria Street), 36-unit market-rate condominiums

designed as three-story townhomes;

• Dolores Condos (21915 S. Dolores Street), 5-unit market-rate condominiums

The following projects were issued building permits and began construction in 2019:

- Evolve South Bay (20330 S. Main Street), 300-unit market rate residential apartments with 12,925 square feet of lease, amenity, and co-commercial space;
- 46 Accessory Dwelling Units; and
- 1 Single-Family Dwelling.

Also, in 2019, these projects were constructed and obtained approval of final inspections, which provide additional housing for the City:

- Veterans Village (600 W. Carson Street), 51-unit affordable apartment project (consisting of 25 extremely low and very low and 25 low income units and 1 manager's unit);
- Carson Arts Colony (21205 Main St.), 46-unit affordable apartment project (consisting of 24 very low and 21 low income units and 1 manager's unit);
- 13 Accessory Dwelling Units; and
- 1 Single-Family Dwelling

The City issued twenty (20) rehabilitation building permits and nine (9) mobile homes were rehabilitated under the Neighborhood Pride program using Community Development Block Grant funds. All housing accomplishments are included in the 2019 housing element progress report to HCD.

Exhibit No. 1 identifies the total number of units by income level that SCAG, through the South Bay Cities Council of Governments (COG) allocated for Carson's 5th Cycle (2013-2021) adopted Housing Element. The annual progress reports began in 2014 (Exhibit No. 1). The total RHNA allocation for Carson was 1,698 units; the total units that remain within the 2013-2021 Housing Element 5th cycle are 722 units.

The HCD housing element certification letter dated December 10, 2013 (Exhibit No. 2) for the 5th Cycle (2013-2021) identified that the City is relying predominantly on sites located in The District (formerly known as the Boulevards at South Bay) Specific Plan to accommodate its regional housing need for lower-income households. However, the City has held extensive discussions with potential residential developers of the District who determined even market rate housing is not financially feasible on the property due to

substantial increase cost of development, since the site is a former landfill. The City will continue to seek other sites for housing in a good-faith effort to meet the HCD's housing element certification mandates; however, many vacant properties in the City are also former landfills or contaminated sites that are not suitable for residential development. The Department of Toxic and Substance Control has determined that the majority of former landfill and highly contaminated properties in Carson may not be suitable for residential development development without significant mitigation.

There are 722 units remaining to be developed to be in full compliance with the state housing element law: 351 very low income units; 181 low income units; and 190 moderate income units. The City has satisfied the total unit allocation for the 708 RHNA-allocated above-moderate-income units. The City has 889, resulting in an overage of 181 above moderate income units.

The City has been and will continue to made a good faith effort in meeting its RHNA unit requirements. As a word of caution, lack of compliance with the required affordable housing allocations that HCD mandates could result in the loss of the State housing funds; and perhaps other State funding if the State continues to toughen its compliance obligations on cities to address the statewide housing crisis. Consequently, it is imperative that the City continue to encourage diverse and affordable housing.

V. FISCAL IMPACT

None.

VI. <u>EXHIBITS</u>

- 1. City of Carson 2019 Housing Element Annual Progress Report. (pg. 5)
- 2. Housing and Community Development Department letter dated December 10, 2013 (pgs.6-7)

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