This is a revised draft of the Housing Element, published for public review and comment. Written comments may be emailed to Alexa Smittle at <u>asmittle@sealbeachca.gov</u>.

V. HOUSING ACTION PLAN

This chapter of the Housing Element sets forth the City's goals, policies, programs and objectives to address the housing needs of Seal Beach residents. This Housing Plan represents a continuing effort on the part of the City to facilitate the provision of housing for all economic segments of the population and persons with special needs, to maintain the condition and affordability of the existing housing stock, and to further fair housing. Table V-1 identifies the City's quantified housing objectives over the 2021-2029 period.

A. Housing Goals, Policies and Programs

A sound basis for any plan of action is a set of well-defined goals and policies to express the desires and aspirations of the community. The City has established the following housing goals:

- Facilitate the development of a variety of housing types for all income levels to meet the existing and future needs of residents.
- Assist in the development of adequate housing to meet the needs of low- and moderate-income households.
- Address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.
- Maintain and enhance the quality of existing residential neighborhoods.
- Promote equal housing opportunities for all persons regardless of race, color, national origin, ancestry, religion, sex, marital status, or familial status.
- Encourage more efficient energy use in residential developments.

Goal 1: Facilitate the development of a variety of housing types for all income levels to meet the existing and future needs of residents

- **Policy 1a:** Provide adequate sites for a variety of housing types through the Land Use Element of the General Plan and the Zoning Code, while ensuring that environmental and infrastructure constraints are addressed.
- **Policy 1b:** Where appropriate, encourage the redesignation of vacant and underutilized non-residential land to residential or mixed uses with appropriate densities to facilitate the development of a variety of housing types to address the housing needs of all economic segments of the population.
- **Policy 1c:** Encourage the infilling of vacant residential land.

- **Policy 1d:** Encourage the recycling of underutilized residential land, where such recycling is consistent with established land use plans.
- **Policy 1e:** Provide compatibility of residential uses with surrounding uses through the separation of incompatible uses, construction of adequate buffers, and other land use controls.
- **Policy 1f:** Improve all residential environments through the provision of adequate public facilities and services, including streets and parks, as well as water, sewer, and drainage systems.
- **Policy 1g:** Provide for adequate, freely accessible open space within reasonable distances of all community residents.

Program 1a: Provide Adequate Sites for Housing through updates to the General Plan and Zoning Code

The Land Use Element of the Seal Beach General Plan designates land within the city for a variety of residential types and densities ranging from 9 to 46 units per acre. The land use designations are implemented through the Zoning Code. Although there is limited developable vacant land remaining, the Regional Housing Needs Assessment (RHNA) assigns Seal Beach a housing need of 1,243 units during the 2021-2029 planning period. When sufficient land with appropriate zoning is not available to accommodate regional housing needs, State law requires cities to amend existing land use plans and regulations to create additional capacity for housing development to accommodate the RHNA.

As discussed in Appendix B, the City has conducted an evaluation of potential properties where land use regulations will be amended to create additional opportunities for housing or mixed-use development.

To address the current shortfall in capacity for potential housing development, the City will process zoning and General Plan amendments for sufficient sites with appropriate densities as identified in Appendix B no later than October 15, 2024, to fully accommodate the City's remaining housing need. Rezoned sites will comply with the requirements of Government Code §65583.2(h) and (i). Specifically, sites designated to accommodate the RHNA shall have a minimum density of 30 units per acre. Developments at designated housing sites where 20 percent or more of the units are affordable to lower-income households will be permitted by right, pursuant to State law as applicable.

Objective: Maintain adequate sites to accommodate the RHNA allocation

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Complete rezoning by October 2024, with ongoing modifications as needed to maintain site inventory

Program 1b: Mixed Use Development Zones

In order to implement development at some of the suggested sites and address constraints on the development of housing for a variety of income levels, a new mixed-use designation is proposed. Currently, the City's mixeduse designation (Limited Commercial/Residential Medium Density or LC/RMD) does not have a high enough density minimum to meet State law requirements for lower-income housing. The City expects to create a mixeduse district where the density will be 46 du/acre. This district will be applied to larger commercial sites. In addition, the City will explore creation of another mixed use district with lower densities to apply to smaller commercial sites within the City. Finally, the City will modify the existing Main Street Specific Plan to allow residential units to be added to existing commercial structures, or to be constructed as part of a mixed-use concept. As part of the creation of mixed-use zones, the City will consider incentives to encourage development of units affordable to moderate and lower-income households, as well as modifications to reduce or eliminate minimum unit sizes to create the most viable development opportunities.

Objective: Create a mixed-use zone that meets state requirements for RHNA site designation, specifically to facilitate housing for lower income households. The zoning process will consider how to accommodate State requirements to allow for: a minimum residential density of 30 units per acre and 46 units per acre on larger, developed sites; a large enough size to permit at least 16 units; exclusively residential uses; at least 50 percent of the building floor area of a mixed-use development to be dedicated to residential uses; and housing by-right with at least 20 percent of the units affordable to lower-income households. The definitions of "persons and families of low and moderate income," "lower income households," and "very low-income households" as set forth in Health and Safety Code sections 50079.5, 50093, and 50150 shall apply. The City shall engage with affected property owners, the Building Industry Association, affordable housing developers, and other stakeholders during the zoning process to ensure the development standards can result in the development of the maximum number of units allowed and facilitate the inclusion of affordable units.

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Complete site rezoning necessary to accommodate the RHNA by October 2024, with ongoing implementation

<u>Schedule:</u> Ordinance adoption by October 2024

Program 1c: Promote Available Housing Incentives and Evaluate Effectiveness

To enhance the feasibility of affordable housing development, the City will offer incentives and concessions such as expedited processing, administrative assistance with applications for funding assistance, and modified development standards consistent with State law, including, but not limited to, density bonus law, permit streamlining under SB35 for projects with at least 50 percent affordability, and SB 330. The City will update its website to include this information in greater detail for potential developers. The City will evaluate the effectiveness of affordable housing incentives and concessions on an annual basis with empirical data (development of units) and anecdotal discussions with developers. To the extent that available incentives do not result in the construction of significant numbers of affordable units, the City will examine revised or new incentives and review processes that may be implemented.

<u>Objective:</u> Make information on available incentives and concessions readily available, and evaluate their efficacy on a regular basis

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Website updates by December 2024, evaluation on an ongoing annual basis. If available incentives demonstrate ineffectiveness by the end of the 2025 calendar year, the City will undertake revisions to available incentives in 2026.

Program 1d: Annual Progress Report

The City will report its progress in implementing this program to HCD on an annual basis, pursuant to Government Code §65400.

<u>Objective:</u> Maintain compliance with State law and provide transparency on progress towards the RHNA

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

Schedule: April of each year

Program 1e: Ensure No Net Loss of Housing Capacity

The City shall comply with the "no net loss" provisions of Government Code §65863 through the implementation of an ongoing project-by-project evaluation process to ensure that adequate sites are available to accommodate the City's remaining RHNA allocation throughout the planning period. The City shall not reduce the allowable density of any site in the residential land inventory, nor approve a development project at a lower density than assumed in the land inventory, unless both of the following findings are made:

- a) The reduction is consistent with the adopted General Plan, including the Housing Element; and
- b) The remaining sites identified in the Housing Element are adequate to accommodate the City's remaining share of regional housing need pursuant to Government Code §65584.

If a reduction in residential density for any parcel would result in the remaining sites in the Housing Element land inventory not being adequate to accommodate the City's remaining share of its lower- or moderate-income regional housing need, the City may reduce the density on that parcel if it identifies sufficient additional, adequate and available sites with an equal or greater residential density so that there is no net loss of residential capacity.

<u>Objective:</u> Maintain adequate inventory of sites for residential development according to State law

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

Schedule: Ongoing implementation

Program 1f: Replacement Housing Program

If residential development on any property rezoned to accommodate the RHNA allocation involves demolition of existing residential units, the City will require replacement pursuant to Gov. Code §65583.2(g)(3).

<u>Objective:</u> Maintain no net loss of housing, with specific focus on housing affordable to lower-income residents by developing a formal, ongoing procedure for analyzing loss of units and replacement requirements.

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Ongoing implementation

Program 1g: Land Use Compatibility

A goal of the City is to create and maintain desirable living areas for residents by protecting residential neighborhoods from incompatible uses. The City recognizes that opinions on compatibility may change over time. A community engagement and outreach program will be implemented through the review of proposed amendments to the General Plan and zoning regulations to ensure changes reflect the needs of the community while also expanding housing opportunity sites in accordance with the RHNA allocation and State law.

<u>Objective:</u> Effectively utilize the zoning and General Plan amendment process to implement appropriate land use controls to ensure the compatibility of residential areas with surrounding uses

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Completed commensurate with Zoning Code updates to be completed by October 2024

Program 1h: Accessory Dwelling Units

Accessory dwelling units (ADUs) can provide affordable housing options for a wide range of household types, many of which may have very low- or extremely low- incomes. The City will continue to encourage ADU production consistent with State law, which shall include:

- 1. Revisions to the City's adopted ADU Ordinance as needed for consistency with State law.
- 2. Consideration of incentives to property owners to rent ADUs at rates affordable to households with extremely low and very low incomes.
- 3. Consideration of pre-approving ADU plans currently under development by the Orange County Council of Governments (OCCOG) that can be customized at minimal cost to the property owner.
- 4. Website updates to explain the permitting process in simplified terms, and offer direction to the resources offered through the State and other agencies as applicable.
- 5. Creation and distribution of marketing materials to advise property owners of the opportunity to create ADUs and to encourage the occupancy of these units by households/persons with lower incomes.

<u>Objective:</u> Provide a streamlined and understandable process for the development of ADUs and JADUs, supported by incentives and resources as they may be available.

<u>Responsible Party:</u> Community Development; Planning Commission; City Council

Funding Source: General Fund

<u>Schedule:</u> Consider revisions to existing ordinance as needed based on changes to State law, and website updates by January 2024, with ongoing implementation as needed.

Program 1i: Accessory Dwelling Units Amnesty Program

The City will establish a program to allow owners with existing unpermitted ADUs to obtain permits to legalize the ADUs during the 2021-2029 planning period. The Amnesty Program shall consist of two parts: 1) education; and 2) incentives. Education will require creation of an information guide to help educate and inform owners of the importance and benefits of legalizing and bringing their unpermitted units into compliance. The information guide will include an overview of the necessary life safety code requirements and improvements that will need to be provided for permit issuance and advice on how to discuss and ask questions of permitting staff without the risk of Code Enforcement action. The information guide will also explain how the City's ADU regulations have created an easier path towards compliance where ADUs were previously not feasible. The City will also create incentives, such as fee waivers, reductions or courtesy inspections to encourage property owners to seek permits to legalize units and make them safe for habitation.

<u>Objective</u>: Encourage the identification of all ADUs and confirm that all units comply with applicable standards.

<u>Responsible Party:</u> Community Development; City Council

Funding Source: General Fund

<u>Schedule:</u> Develop program within six months of adoption of amendments to the ADU ordinance (February 2024).

Program 1j: Accessory Dwelling Units Monitoring Program

The City will annually monitor its progress in permitting ADUs during the planning period with the intent of increasing the number of ADUs. Monitoring will occur in conjunction with the Annual Housing Element Progress Report. The analysis will track applications for ADUs, location, affordability, and other important features. If ADU permitting falls below five (5) ADUs for more than two consecutive years, the City shall re-evaluate the City's ADU standards and procedures and modify accordingly within six (6) months. The City will consider additional outreach and marketing in addition to modifications to regulations and processes.

<u>Objective:</u> Provide a streamlined and understandable process for the development of ADUs and JADUs, supported by resources as they may be available.

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Create monitoring program within six (6) months of adoption of Housing Element; annual monitoring and program revisions as may be warranted

<u>Program 1k: Emergency Shelters, Low Barrier Navigation Centers and</u> <u>Transitional/Supportive Housing</u>

Housing and the continuum of care for those at risk of or currently experiencing homelessness has changed dramatically in Orange County over the last five years. Housing options ranging from temporary emergency shelters to permanent supportive units are available now in much greater numbers, and tied to a range of services and support networks at the regional level to leverage resources and more comprehensively address problems.

AB 139 (2019) revised State law regarding parking standards for emergency shelters. AB 2339 (2022) further revised the law to require zones where shelters are permitted to also allow residential uses and obligates the City to evaluate the opportunity for shelter development on designated sites. To ensure that City development standards and procedures continue to provide adequate sites for emergency shelters, parking requirements for emergency shelters will be amended consistent with current law. In 2018, AB 2162 amended State law to require that supportive housing be a use by-right in zones where multifamily and mixed uses are permitted, including non-residential zones permitting multi-family uses, if the proposed housing development meets specified criteria. AB 101 (2019) added the requirement that "low barrier navigation centers" meeting specified standards be allowed by-right in areas zoned for mixed-use and in non-residential zones permitting multifamily uses pursuant to Government Code §65660 et seq. The City will amend its Zoning Code to require transitional and supportive housing uses to conform only to those regulations that apply to other residential uses of the same type in the same zone, in compliance with AB 2339. The City will monitor the inventory of sites appropriate to accommodate transitional and supportive housing and will work with the appropriate organizations to meet the needs of persons experiencing homelessness and extremely low-income residents. The amendment will also ensure consistency with all other applicable state laws.

<u>Objectives:</u> (a) Continue to facilitate the provision of emergency shelters and transitional/supportive housing consistent with State law; (b) Process a Code amendment to amend City regulations for emergency shelters, supportive housing and low-barrier navigation centers consistent with State law.

<u>Responsible Party:</u> Community Development; Planning Commission; City Council

Funding Source: General Fund

<u>Schedule:</u> Process a code amendment related to emergency shelters concurrent with the Zoning Code update for RHNA sites, with ongoing evaluation.

Program 11: Provision of Adequate Public Facilities and Services

New residential developments bring new residents to the City, placing an increased demand on public facilities and services. To adequately serve its existing and future residents, the City must ensure that new residential developments are provided with adequate public facilities and services.

The City will continue to utilize the environmental and other development review procedures to ensure that all new residential developments are provided with adequate public facilities and services. If existing public facilities or services are inadequate to serve new development consistent with land use plans, the City will work cooperatively with service providers to expand capacity where feasible.

Objective: Maintain adequate public facilities and services

<u>Responsible Party:</u> Public Works Department, service providers

Funding Source: General Fund

<u>Schedule:</u> Ongoing implementation as development occurs

Program 1m: Streamlined Permit Processing and Transparency

SB 35 (2017) requires streamlined ministerial approval procedures under certain circumstances. The City will establish and implement written procedures to ensure conformance with SB 35 and other applicable State laws.

In addition, all zoning, development standards, and fees will continue to be posted on the City's website in conformance with State transparency requirements.

<u>Objective:</u> Reduce barriers to housing development through simplified processing and available information

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Written procedures will be developed by January 2024 with ongoing updates to the website and other informational material

Program 1n: Lot Splits

Adopt an Ordinance to expand the housing supply in High Resource singlefamily zones by allowing for lot splits and duplexes under the parameters of SB 9, recognizing potential conflicts with the Coastal Act. In coordination with research being conducted at the State level, pursue opportunities to incentivize homeowners to provide affordable units under SB 9.

<u>Objective:</u> Reduce barriers to housing development through simplified processing; consider incentives to make units created affordable

<u>Responsible Party:</u> Community Development, City Council

Funding Source: General Fund

<u>Schedule:</u> Analyze opportunities and resources available to homeowners and develop online materials by July 2024.

Program 1o: Expedited Processing for Subdivision Maps including Affordable Units

Adopt written procedures to expedite the review of subdivision maps, including parcel maps, tract maps and lot line adjustments, when the project includes a certain number or percentage of units affordable to lower-income households.

<u>Objective:</u> Reduce barriers to housing development through simplified processing; consider incentives to make units created affordable

<u>Responsible Party:</u> Community Development, Public Works, City Clerk

Funding Source: General Fund

<u>Schedule:</u> Draft internal procedures within one year of adoption of Housing Element; prepare handout for distribution at the public counter and inclusion on the City's website within one month of approval of procedures.

Program 1p: Revise Parking Standards for sites within One Half Mile of Transit

AB 2097 prohibits public agencies from imposing minimum parking requirements on residential, commercial or other development projects located within a half-mile of public transit, as defined in State law.

Objective: Ensure parking standards comply with applicable State laws

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Complete as a part of the Zoning Code amendment.

Program 1q: Educational Employee Housing

AB 2295 allows a qualifying rental housing development project to be an "allowable use," entitled to certain exemptions from applicable local regulations, if the development is located on real property owned by an "educational agency" (a school district or county office of education). A qualifying development must comply with most "objective" zoning, subdivision and design review standards, but is entitled to be exempt from any use, density and height limitations that would preclude a residential development of at least 35 feet in height, and a minimum density ranging from 10 to 30 dwelling units per acre depending upon whether the jurisdiction is metropolitan, suburban or unincorporated.

<u>Objective:</u> Reduce barriers to housing development by allowing school districts to develop rental housing for staff

<u>Responsible Party:</u> Community Development, City Council

Funding Source: General Fund

<u>Schedule:</u> AB 2295 becomes effective January 1, 2024, City shall include related provisions in the Zoning Code update.

Program 1r: In Lieu Fee to Reduce Density

Require the payment of an in-lieu housing fee for each residence that is removed or demolished for the purpose of converting any two-family or multi-family property to fewer residences or another use, if the existing residences are located in a zone that allows medium or high-density residential development and if the existing number of residences comply with the density standards of that zone.

<u>Objective:</u> Create a disincentive to reduce the number of developed units on residential parcels and create a funding mechanism to subsidize improvements and repairs to homes occupied by low-income households

<u>Responsible Party:</u> Community Development, City Council

Funding Source: General Fund

<u>Schedule:</u> Fee study to be complete and in-lieu fee adopted by July 2025.

Program 1s: Partner with the U.S. Navy and the Seal Beach Naval Weapons Station

The City will continue to collaborate with the Navy on development of housing at the Naval Weapons Station (NWS) at their selected development site along Pacific Coast Highway. Furthermore, the City owns a small parcel of land within the fenced area of the Naval Weapons Station, and is actively communicating with U.S. Navy employees to formally open discussions for use of the parcel as affordable housing. The Navy may have joint interest in housing as well, for active duty servicemembers or potentially veterans.

<u>Objective:</u> Create an opportunity for affordable housing development on City property in partnership with the U.S. Navy through quarterly or more frequent meetings.

<u>Responsible Party:</u> Community Development, City Manager, City Council

Funding Source: General Fund, outside grant sources

<u>Schedule:</u> Underway and ongoing

Goal 2: Assist in the development of adequate housing to meet the needs of lowand moderate-income households

- **Policy 2a:** Expand housing opportunities for households with special needs, including the elderly, persons with disabilities, including developmental disabilities, large households, female-headed households, and the homeless.
- **Policy 2b:** Provide incentives to encourage the development of new affordable housing for lower- and moderate-income households, including extremely-low-income persons.
- **Policy 2c:** Investigate and pursue programs and funding sources designed to expand housing opportunities for low- and moderate-income households, including persons with special needs.
- **Policy 2d:** Encourage construction of low- and moderate-income housing on sites that are:
 - located with convenient access to schools, parks, public transportation, shopping facilities, and employment opportunities;
 - adequately served by public utilities;
 - adequately served by police and fire protection;
 - minimally impacted by noise, flooding, or other environmental constraints; and
 - outside of areas of concentrated lower-income households.

Program 2a: Density Bonus Review Process

Currently, the Planning Commission reviews and approves incentives granted as part of a density bonus. To streamline the review process and provide certainty for developers, the City shall amend its Zoning Code governing density bonuses. The amendment shall ensure that the ordinance reflects all current provisions of State law, and eliminates the need for Planning Commission review to grant density bonus incentives.

<u>Objective:</u> Streamline the density bonus provisions and ensure City regulations reflect State law

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Amendment to be completed as part of broader Zoning Code update scheduled for completion in October 2024

Program 2b: Density Bonus Incentives and Information

The Seal Beach Zoning Code contains density bonus regulations and procedures to facilitate the production of low- and moderate-income housing by providing incentives that reduce per unit development costs. State Density Bonus law was recently amended to provide additional incentives for affordable housing production. The City will consider incentives that may be provided to further entice developers to take advantage of density bonuses, such as reducing processing timelines and providing greater certainty in the review process. The City will develop informational material for its website on how developers can utilize density bonus incentives to increase housing. These materials will be simple to understand and highlight the benefits of using the density bonus provisions. The materials will be updated following adoption of the Zoning Code amendment described in Program 2a.

<u>Objective:</u> Create incentives for residential developers to take advantage of density bonus provisions to create affordable housing units; make information on density bonus incentives readily available

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Incentives to be finalizes and website updates to be completed by July 2025 and updated on an ongoing basis as applicable, including following adoption of the Zoning Code update in October 2024.

Program 2c: Affordable Housing Resources

The City will facilitate the development of quality affordable housing through a variety of actions, including pursuing additional funding sources and partnering with private and non-profit housing developers. To achieve this, the City will take the following actions:

- Maintain and annually update a list of non-profit housing developers active in Orange County.
- Contact qualified non-profit housing developers to explore opportunities for affordable housing development annually, or whenever development opportunities arise.
- Monitor funding resources, such as Multi-Family Housing Program (MHP) funds and Low-Income Housing Tax Credits (LIHTC), that may become available from time to time through the County, the State, or the Federal governments to subsidize affordable housing development, and seek to partner with developers to connect to those resources.
- Maintain an inventory of residential sites available for development continuously on the City website.
- Prioritize assistance for extremely-low-income (ELI) units and projects such as single room occupancy (SRO) and supportive housing commensurate with the City's regional housing need whenever housing development is proposed.
- Provide technical assistance to affordable housing developers in preparation of grant funding applications
- Explore membership in the Orange County Housing Finance Trust in 2022
- Prioritize funding for projects that include extremely-low-income units or housing for persons with special needs
- Collaborate with the U.S. Navy, County of Orange, and any other public entities owning land within the city to convert surplus properties to affordable housing.

<u>Objective:</u> Connect housing developers to technical knowledge and resources to facilitate the development of affordable housing. Establish relationships with affordable housing providers through annual meetings to discuss possible sites and opportunities.

<u>Responsible Party:</u> Community Development, Finance, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Most activities for Program 2b are ongoing in nature; consideration of membership in the Orange County Housing Finance Trust was completed in June 2022.

Program 2d: Land Write Downs and Assistance with Off-Site Improvements

Land costs and requirements for off-site improvements are important factors in determining the cost of housing. To facilitate development of housing affordable to low- and moderate-income households the City may subsidize the cost of land and off-site improvements when feasible. The City will also seek funding sources for this activity. This program will be implemented through discussions with project proponents during the development review process.

Objective: Increase the number of affordable housing units

<u>Responsible Party:</u> Community Development, Finance, City Council

Funding Source: General Fund, unless alternative grant funding is available

<u>Schedule:</u> Ongoing

Program 2e: Explore and Obtain Funding to Subsidize Construction of Affordable Units

The State of California makes funds available annually to support the development of affordable housing units. Examples include CalHome and PLHA funds. These funds are allocated to the County of Orange. Seal Beach is eligible to apply for these funds to support eligible projects. The City will develop expertise in affordable housing funding sources and the application processes.

Objective: Increase the number of affordable housing units

<u>Responsible Party:</u> Community Development, Finance, City Council

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Program 2f: Regional Coordination of Housing Issues

The City will continue to participate in other programs that facilitate information sharing and housing production at a regional scale. The City will attend quarterly OCHA Cities Advisory Committee meetings to be up to date on programs offered by the County or other entities that may incentivize different types of affordable housing and encourage preservation of existing housing stock. As noted in other programs, relevant information will be posted on the City's website and distributed through other channels such as public libraries, community newsletters, and social media. Objective: Leverage resources to augment affordability in housing

<u>Responsible Party:</u> Community Development, OCHA

Funding Source: General Fund

<u>Schedule:</u> Quarterly meetings with ongoing updates to information provided to developers and citizens on the City's website

Program 2g: Commercial Density Bonus

AB 1551 (2022) allows a commercial developer to obtain one of six commercial density bonuses by partnering with a housing developer to provide qualifying affordable housing (at least 30% total units available to low-income tenants, or 15% affordable to very low-income tenants) through either: directly building affordable housing units, donating land for affordable housing units, or providing direct funding to an affordable housing developer for development of an affordable housing project. This incentive may be relevant, given that several of the City's potential housing sites are currently developed with commercial uses.

<u>Objective:</u> Streamline the density bonus provisions and ensure City regulations reflect State law

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Amendment to be completed as part of broader Zoning Code update scheduled for completion in October 2024

Goal 3: Address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

- **Policy 3a:** Assist City residents in securing decent safe and affordable housing.
- **Policy 3b:** Conserve the affordability of housing units assisted with public funds through affordability covenants or resale controls.
- **Policy 3c:** Investigate and pursue programs and funding sources designed to maintain and/or improve the affordability of existing housing units to low- and moderate-income households.

Program 3a: Housing Choice Voucher Program Rental Assistance

The Housing Choice Voucher Program, long known as "Section 8," is a federal program that extends rental subsidies to very low- and extremely lowincome individuals and families. The subsidy represents the difference between 30% of monthly income of the household and the allowable rent determined by the Section 8 program to increase housing affordability for the voucher recipient. Seal Beach is not a direct recipient of Section 8 vouchers, but it does participate in the Section 8 Rental Assistance Program through the Orange County Housing Authority (OCHA). The number of vouchers used in Seal Beach is lower than usage in almost every other community in Orange County.

Most Section 8 subsidies are issued by OCHA in the form of vouchers that permit tenants to choose their own housing. The City will make information available regarding the process of obtaining a Section 8 voucher, while noting this can be a challenging process due to lack of available funding. In addition, OCHA has recently partnered with other entities, including United Way, to expand landlord understanding of the Section 8 voucher process, and provide additional resources to make property owners more willing to accept vouchers. The City will continue to coordinate with OCHA on a quarterly basis, and provide up to date information on its website for landlords that may be interested in participating in the program. Information will also be shared through other outlets such as local libraries, Leisure World, and City social media and/or newsletters.

<u>Objective:</u> Increase information available on Section 8 vouchers as a means of increasing affordability for households; ensure that landlords are aware of the program and encouraged to participate; and understand how and where vouchers are used within the City.

<u>Responsible Party:</u> Community Development, County of Orange

Funding Source: General Fund

<u>Schedule:</u> Website updates to be completed by December 2023, with ongoing updates and partnership with OCHA on a quarterly basis.

Program 3b: Mortgage Credit Certificates

The Mortgage Credit Certificate (MCC) is a federal program that allows qualified first-time homebuyers to take an annual credit against federal income taxes of up to 15 percent of the annual interest paid on the applicant's mortgage. This enables homebuyers to have more income available to qualify for a mortgage loan and make the monthly mortgage payments. The value of the MCC must be taken into consideration by the mortgage lender in underwriting the loan and may be used to adjust the borrower's federal income tax withholding. The MCC program has covenant restrictions to ensure the affordability of the participating homes for a period of 15 years. The MCC program is administered through the County of Orange (<u>https://www.ocgov.com/residents/mccp</u>).

The City will promote the MCC program on its website and other available outlets.

<u>Objective:</u> Increase awareness of the MCC program to increase affordability for homebuyers

<u>Responsible Party:</u> Community Development, County of Orange

Funding Source: General Fund

<u>Schedule:</u> Website update was completed in January 2023 with ongoing maintenance and monitoring for changes to the program

Program 3c: Local Coastal Program

Seal Beach does not currently have an approved Local Coastal Program (LCP). As a result, all projects located within the portion of the city that is within the Coastal Zone are subject to review by the California Coastal Commission, in addition to the required City approvals. This additional requirement represents an impediment to housing development within the Coastal Zone. To address this issue, the City is currently working on the preparation of an LCP, funded in part by a grant from the Coastal Commission. An Ad Hoc General Plan/LCP Committee has been established to provide guidance to staff in this effort. A draft Land Use Plan, the first of two major components of the LCP was submitted to the Coastal Commission for review in May 2023 and is awaiting feedback.

<u>Objective:</u> Streamline the development process by eliminating a separate process for Coastal Zone approvals

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund, Coastal Commission Grant Funding

<u>Schedule:</u> Planned completion of Draft LCP by December 2024.

Program 3d: Implementation of new Planning and Permitting Software

The City integrated online plan check in 2020, in response to the COVID-19 pandemic, and to simplify the permitting process. Based on the success of that effort, the City has recently initiated transition to a new planning and

permitting software which will allow for even greater digital and remote access to the Community Development Department. Digital submittal, turnaround, and record keeping will continue to speed the permitting process, therefore reducing costs associated with development.

<u>Objective:</u> Streamline the development process through software implementation and online access to planning and permitting.

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Planned completion by April 2024.

Program 3e: Priority Water and Sewer Services

Continue to make service providers aware of the City's housing plans and encourage them to expedite service to restricted lower income residential projects

<u>Objective:</u> Inform service providers of plans to develop housing affordable to lower-income households so those service needs can be prioritized

<u>Responsible Party:</u> Community Development, Public Works

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Program 3f: Implementation of AB 2234 (Streamlining of Ministerial Permits)

The Permit Streamlining Act (PSA) sets forth specific timeframes for cities to determine the completeness of discretionary applications, and to review those applications once deemed complete. AB 2234 (2022) amends the Planning and Zoning Law to incorporate similar PSA streamlining provisions by requiring cities to publish formal application checklists for post-entitlement housing development permits, as well as examples of complete applications for specific types of housing developments; sets forth timelines to respond after the city receives an application by identifying any specific information from the published checklist that was missing from the application; and requires the City to complete its review of any complete application within 30 business days (for developments with 25 homes or fewer) or 60 days (for developments with more than 25 homes).

Objective: Streamline the development process for ministerial permits

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Planned completion by December 2023

Goal 4: Maintain and enhance the quality of residential neighborhoods in Seal Beach.

- **Policy 4a:** Encourage the maintenance and rehabilitation of existing owner-occupied and rental housing where feasible.
- Policy 4b: Promote the replacement of any substandard units that cannot be rehabilitated.
- **Policy 4c:** Investigate and pursue programs and funding sources available to assist in the improvement of residential property.
- **Policy 4d:** Encourage the continued affordability of housing units rehabilitated with public funds.
- **Policy 4e:** Discourage the conversion of existing apartment units to condominiums where such conversion will diminish the supply of housing affordable to low-and moderate-income households.
- **Policy 4f:** Promote the conservation and rehabilitation of older neighborhoods, preventing the encroachment of incompatible commercial or industrial uses into established neighborhoods.
- Policy 4g: Assist residents, wherever possible, in securing decent, safe and adequate housing.
- **Policy 4h:** Promote a safe, healthful, aesthetically pleasing environment that strengthens individual and family life.
- **Policy 4i:** Preserve and enhance viable residential neighborhoods and strengthen neighborhood identity.
- **Policy 4j:** Upgrade and improve community facilities and municipal services in keeping with community needs.
- **Policy 4k:** Encourage the use of innovative land use techniques and construction methods to minimize housing costs without compromising basic health, safety, and aesthetic conditions.

Policy 4I: Periodically reexamine local building and zoning codes for possible amendments to reduce construction costs and processing times without sacrificing basic health and safety considerations.

Program 4a: Condominium Conversion

As a means to preserve the affordable housing stock, Chapter 11.4.80 of the Seal Beach Municipal Code regulates procedures for the conversion of existing apartment complexes to condominium ownerships, including protections for tenant rights.

<u>Objective</u>: Reduce impacts to lower income households in the event of a condominium conversion project.

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Program 4b: Housing Conditions Monitoring

Overall, the housing stock in Seal Beach is well-maintained. However, the beach area contains scattered housing units with deferred maintenance issues. The City has targeted the beach area for housing condition monitoring. Periodically, the City's code enforcement and building officials survey the area to identify properties requiring maintenance or repair. The most recent windshield survey conducted by City staff in late 2022 identified 44 units in potential need of maintenance. If Code violations or other significant problems are found to exist, the City will contact property owners to seek corrective actions.

<u>Objective:</u> Maintain attractive residential stock to encourage future housing that is also safe and healthy for a range of income levels

<u>Responsible Party</u>: Community Development

Funding Source: General Fund

<u>Schedule</u>: Annual windshield survey and outreach to owners of affected properties.

Program 4c: Provide Home Renovation Assistance to Lower Income Households

Through the CDBG program, the City assisted 1,290 lower-income households in the Leisure World community to update bathroom facilities to

allow for aging in place. Total expenditures from July 2005 through December 2021 were \$2,897,989. Leisure World homeownership is substantially more affordable than in other areas of the city due to the age restrictions in place. This program has helped to keep lower-income residents in a more affordable housing environment with services that support aging households.

The City will continue to work with the County of Orange to obtain CDBG or other grant funding resources to assist lower-income households, including those outside the Leisure World neighborhood when available

<u>Objective:</u> Assist income-qualified households with improvements that support their ability to remain in their housing units.

<u>Responsible Party:</u> Community Development, County of Orange

<u>Funding Source</u>: CDBG or other grant funding as may be available from time to time

<u>Schedule:</u> Ongoing, with renewals of funding on a three-year basis, subject to modifications by the County of Orange.

Program 4d: Promote Home Renovation Loans to Lower Income Households

Low-income residents are eligible to participate in the County of Orange Single-Family Rehabilitation Loan Program. This program assists homeowners with the costs of home improvements when they are unable to secure funding through commercial lenders. Priority is given to making health and safety improvements, energy and resource conservation improvements and exterior improvements. The City shall disseminate information on the program on its website and key City facility. The Code Enforcement staff will also identify this resource when working with households who may require assistance to make improvements to comply with basic codes.

<u>Objective:</u> Assist income-qualified households with improvements that facilitate safety and conservation.

<u>Responsible Party:</u> Community Development, County of Orange

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Goal 5: Promote equal housing opportunities for all persons regardless of race, color, national origin, ancestry, religion, sex, marital status, or familial status.

- **Policy 5a:** Promote fair housing practices throughout the community.
- **Policy 5b:** Encourage the development of housing that meets the special needs of disabled and elderly households.
- **Policy 5c:** Promote the provision of housing to meet the needs of families and households of all sizes.

Program 5a: Fair Housing Resources

The City enforces the Fair Housing Act within its jurisdiction. To achieve fair housing goals, the City participates in Orange County's contract with the Fair Housing Council of Orange County (FHCOC) to provide fair housing and tenant landlord counseling services. FHCOC is contracted to perform fair housing audits and to investigate fair housing complaints. The City will strengthen its relationship with FHCOC better understand fair housing complaints and to ensure residents and landlords understand their rights and available resources.

<u>Objective:</u> Provide free Fair Housing education and counseling services through the following actions:

- Continue to refer fair housing inquiries to FHCOC
- Continue to support FHCOC to provide community education by sponsoring annual workshops for tenants and landlords
- Provide informational brochures at City Hall and other public facilities and include fair housing information on its website
- Meet annually with FHCOC staff to track fair housing issues and identify patterns in the City; identify appropriate actions to address patterns

<u>Responsible Party:</u> Community Development, City Council, County of Orange

Funding Source: CDBG

<u>Schedule:</u> Ongoing

Program 5b: Housing Information and Referral Services

The Orange County Housing Authority provides housing information and referral services for persons seeking affordable rental and homeownership opportunities. The City will work collaboratively with OCHA to update and distribute information on services and will post relevant information on the City's website.

Objective: Increase access to information on affordable housing availability

<u>Responsible Party:</u> Community Development, OCHA staff

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Program 5c: Promote Housing Choice Vouchers to Landlords

The City will conduct outreach to owners/managers of rental properties in Seal Beach to encourage participation in the Housing Choice Voucher Program. Once a list of properties registered with the County has been assembled, the City will coordinate with the OCHA about using the mobility counseling program. The mobility program identifies options in higher opportunity areas and provides holistic support to voucher holders seeking to move to higher opportunity areas.

<u>Objective:</u> Increase access to information on affordable housing availability; expand the number of Housing Choice Vouchers used in the City

<u>Responsible Party:</u> Community Development, OCHA staff

Funding Source: General Fund

<u>Schedule:</u> Outreach to landlords through June 2024

Program 5d: Regional Collaboration to Affirmatively Further Fair Housing

As a part of the five-year Consolidated Plan cycle, an Analysis of Impediments (AI) was created for the Orange County region, with the County of Orange participating on behalf of the Urban County funding structure for federal CDBG and HOME funds. The AI identified several potential strategies to affirmatively further fair housing. Community Development staff will work with County staff on a quarterly basis to discuss program development and implementation options to affirmatively further fair housing, based on the findings of the AI. The City will also implement relevant recommendations from the AI. Seal Beach will amend its Zoning Code to provide more sites for higher density housing; promote density bonuses to include affordable units in new developments; and implement state housing regulations. The City will also promote the development of ADUs (Programs 1i, 1j, and 1k)

Objective: Support regional strategies to affirmatively further fair housing

<u>Responsible Party:</u> Community Development, OCHA staff

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Program 5e: Reasonable Accommodation Provisions

A reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with disabilities to have an equal opportunity to use and enjoy a dwelling. The City will review and revise its Reasonable Accommodation process and findings to be consistent with State and federal fair housing requirements. The City will continue to process requests for reasonable accommodation at no charge to the applicant.

Objective: Reduce barriers for disabled persons

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Amendment to be completed as part of broader Zoning Code update scheduled for completion in October 2024

Program 5f: Preparation of an Environmental Justice Element

The City will undertake preparation of an Environmental Justice Element for the General Plan following a finding of substantial compliance for the Housing Element, which will provide additional support for affirmatively furthering fair housing by considering air quality, access to facilities, safe and sanitary housing, and crime prevention.

Objective: Reduce and address constraints that may hinder fair housing

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Planned completion within six months of finding of substantial compliance for the Housing Element.

Program 5g: Accessible Housing

Require a portion of extremely-low- to moderate-income housing units (both publicly and privately sponsored) to be physically accessible or adaptable to persons with disabilities.

<u>Objective:</u> Reduce barriers for disabled persons

<u>Responsible Party:</u> Community Development, Planning Commission, City Council

Funding Source: General Fund

<u>Schedule:</u> Requirement to be established as part of broader Zoning Code update scheduled for completion in October 2024

Goal 6: Encourage more efficient energy use in residential developments.

- **Policy 6a:** Promote energy conservation through "green building" techniques that reduce water consumption, improve energy efficiency and lessen a building's overall environmental impact.
- **Policy 6b:** Promote "smart growth" principles by encouraging compact development in locations that provide opportunities for reduced vehicle trips.

Program 6a: Green Building Techniques

"Green buildings" are structures that are designed, renovated, re-used or operated in a manner that enhances resource efficiency and sustainability. These structures reduce water consumption, improve energy efficiency and lessen a building's overall environmental impact. The City's Community Development Department will distribute a Green Building Tips handout for both homeowners and builders and post this information on its website.

<u>Objective:</u> Increase energy efficiency in housing units to reduce overall operating costs

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Ongoing

Program 6b: Housing Rehabilitation Program

As part of the City's program to assist households in renovating bathrooms to allow aging in place (Program 4c), the City will provide recipients with information regarding the use of energy green materials and energy/water conserving measures in home improvements.

<u>Objective:</u> Increase energy efficiency in housing units to reduce overall operating costs

<u>Responsible Party:</u> Community Development

Funding Source: General Fund

<u>Schedule:</u> Create information by December 2023; implementation ongoing

Program 6c: Promote Smart Growth

The City will continue to promote "smart growth" principles by encouraging compact development commensurate with the City's regional housing need in locations that provide opportunities for reduced vehicle trips concurrent with Program 1a.

<u>Objective:</u> Reduce reliance on vehicle travel where possible to foster healthier neighborhoods.

<u>Responsible Party:</u> Community Development, Public Works

Funding Source: General Fund

<u>Schedule:</u> Smart Growth principles will be incorporated into the Zoning Code update to be completed in October 2024 with ongoing evaluation. The introduction of residential uses to existing commercial sites is one example of the strategies to be included in the code update.

B. Quantified Objectives

The City's quantified objectives for new construction, rehabilitation and conservation are presented in Table V-1.

Table V-1 Quantified Objectives 2021-2029

Program Category	Income Category					
	Extremely Low	Very Low	Low	Moderate	Above Moderate	Totals
New Construction	129	129	201	239	545	1,243
Rehabilitation	40			220	-	246
Conservation ¹	25			75		100

1. Preservation of units in Seal Beach Shores Trailer Park

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