



## Housing Element Frequently Asked Questions

### 1. What is a Housing Element?

Since 1969, Housing Elements have been a mandatory chapter of local General Plans in California. A Housing Element provides an analysis of a community's housing needs for all income levels and strategies to provide for those housing needs. It includes goals, policies, programs and objectives to guide future housing growth to meet the needs of residents of all income levels in Agoura Hills. It also identifies projected housing needs by income category and requires certification by the State Department of Housing and Community Development (HCD) for compliance with state housing laws. An HCD certified Housing Element enables the City to be eligible for various state grants and funding sources. The State requires that Housing Elements be updated and certified regularly to reflect the most recent trends in demographics and employment that may affect existing and future housing demand and supply. The Housing Element is updated every eight years and the 2021-2029 Housing Element is the 6th Cycle Update.

### 2. Why is the Housing Element important?

Updating the Housing Element presents a real opportunity for communities to be forward thinking and strategic in their overall planning process. The benefits of updating the Housing Element include: providing timely access to State infrastructure bonds to construct needed capital improvement projects; implementing redevelopment/revitalization initiatives and smart growth principles to help shape the community's physical form; achieving a jobs-housing balance to reduce commute patterns, retaining a local employment base and providing the capacity for attracting new business; engaging the public and stakeholders in developing a common basis of understanding; devising land use strategies and achieving consensus on common goals; and directing growth in the community.

### 3. Why Update the Housing Element?

State Department of Housing and Community Development (HCD) is responsible for determining the regional housing needs assessment (RHNA) within each region's planning body known as a "council of governments" (COG). RHNA quantifies the need for housing during specified planning periods. Each COG is then responsible for allocating the housing need amongst all the jurisdictions within that region during specified planning periods. The RHNA allocation for Agoura Hills is 318 units.

Housing Element law does not require the City construct the 318 housing units, but rather that it implement a plan to accommodate for these units throughout the City. The Housing Element serves as a tool to address housing problems and aims to identify constraints, barriers, and provide realistic solutions where feasible.

### 4. What are the most important issues that must be addressed in the Housing Element?

The major issues that must be addressed in the Housing Element are: 1) how City policies, plans and regulations help to meet the region's housing needs for people at all income levels; and 2) how City land use regulations accommodate the special housing needs of persons with disabilities or other difficulties.



Every community is dependent on a variety of low- and moderate-income workers in jobs such as child and elder care, medical support, business and personal services, retail trade, and maintenance. While governmental programs provide funding assistance for affordable housing, city plans and regulations determine the type of housing that can be built. Therefore, a sufficient supply of affordable housing is dependent on both financial assistance and city development regulations.

Under State law all cities are required to plan for additional housing to accommodate population growth and existing housing problems such as overcrowding and high housing cost. State law recognizes that most housing is built by private developers, not cities. However, cities are required to adopt policies, plans, and development regulations to encourage a variety of housing types that are affordable for persons at all income levels, including multi-family rental housing and accessory dwelling units (“ADUs”). The Regional Housing Needs Assessment (“RHNA”) is the process by which each jurisdiction’s share of new housing needs is determined.

Additionally, under State law, cities must ensure that their plans and regulations encourage the provision of housing for persons with special needs including providing for:

- ✓ Reasonable accommodation for persons with disabilities;
- ✓ Transitional and supportive housing;
- ✓ Residential care facilities; and
- ✓ Emergency shelters and “navigation centers.”

## 5. What is “affordable” housing?

By definition, housing is considered “affordable” when total housing cost, including utilities, is no more than 30% of a household’s gross income. State law describes five income categories, which are based on the county’s median income. These categories, and their current maximum income classification for a household of four are shown in table below along with the Maximum Affordable Rents for Los Angeles County in 2020:

Income Category	% of County Medium Income	Maximum Income		
Extremely Low	Up to 30%	\$35,450		
Very Low	31 – 50%	\$59,100		
Low	51 – 80%	\$94,600		
Moderate	81 – 120%	\$96,000		
Above Moderate	Over 120%	>\$96,000		
Income Category	1 Bedroom (2 Person)	2 Bedroom (3 Person)	3 Bedroom (4 Person)	
Very Low	\$999	\$1,122	\$1,236	
Low	\$1,676	\$1,882	\$2,081	
Moderate	\$1,728	\$1,942	\$2,147	
Agoura Hills median Rents	\$2,403	\$2,793	\$3,495	

## 6. What is the “RHNA” and why is it important?

Each California City is required to plan for new housing to accommodate a share of regional needs. The Regional Housing Needs Assessment (“RHNA”) is the process established in State law by which each city’s housing needs are determined.

Prior to each Housing Element planning cycle the region’s total housing need is determined by the



California Department of Housing and Community Development (“HCD”) based upon economic and demographic trends, existing housing problems such as overcrowding and overpayment, and additional housing needed to ensure reasonable vacancy rates and replace units lost due to demolition or natural disasters. The total housing need for the region is then distributed to cities and counties by SCAG based upon criteria established in State law.

In 2019 HCD determined that the total new housing need for the entire SCAG region in the 6th Housing Element cycle is 1,341,827 units. SCAG then prepared a RHNA plan that allocates a share of the RHNA to each jurisdiction in the region.

## 7. Is the RHNA a construction quota or mandate?

The RHNA allocation identifies the amount of additional housing a jurisdiction would require in order to have enough housing at all price levels to fully meet the needs of its existing population plus its expected population growth over the next 8 years while avoiding problems like overcrowding and overpayment. The RHNA is a planning requirement that identifies housing need, not a construction quota or mandate. Jurisdictions are not required to build housing or issue permits to achieve their RHNA allocations, but State law establishes specific requirements when housing production falls short of RHNA allocations. One such requirement is streamlined review of housing development applications that meet specific standards.

## 8. What must cities do to comply with the RHNA?

The Housing Element must analyze the city’s potential capacity for additional housing based on an evaluation of land use patterns, development regulations, development constraints, and real estate market factors. The analysis must be prepared to identify properties where additional housing could be built consistent with current regulations. This evaluation is referred to as the “sites inventory.” State law requires the inventory to demonstrate that the city has adequate capacity to fully accommodate its RHNA allocation for each income category. If the sites inventory does not demonstrate that adequate capacity exists to fully accommodate the RHNA, the Housing Element must describe what steps will be taken to increase capacity commensurate with the RHNA – typically through amendments to land use and zoning regulations that could facilitate additional housing development.

Under State law, areas that are zoned to allow residential or mixed-use development at a density of at least 20 units/acre in small cities like Agoura Hills are considered appropriate for affordable housing in the very-low and low- income categories. Accessory dwelling units (“ADUs”) can also accommodate future housing need in all income categories.

## 9. Why does Agoura Hills have to plan for more housing?

California law requires each city and county to plan for their “fair share” of the State’s housing growth needs. Based on economic and demographic forecasts, the State has determined that the Southern California Association of Governments (SCAG) region needs to accommodate 1,341,827 housing units between 2021 and 2029 to meet housing demand. SCAG is the agency responsible for distributing the fair share allocation among its six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and 191 cities in the Southern California region.

## 10. What happens if cities don't achieve their assigned housing needs?

As part of the update process, all California localities are required to submit draft and adopted elements to the California Department of Housing and Community Development ("HCD") for review. Although communities are obligated to consider HCD comments, they are not required to modify their Elements to incorporate changes requested by HCD. The ultimate determination of whether a Housing Element complies with applicable law is reserved for the courts to decide. Although HCD is not the final authority on determining Housing Element compliance, there are three primary consequences for not obtaining HCD approval:

- In any action taken to challenge the validity of a Housing Element, there is a rebuttable presumption of validity of the element if HCD has found that the element or amendment substantially complies with the requirements of Housing Law.
- Various grant and loan programs offered through the State of California are only available to those communities which either have HCD-certified Housing Elements or do not otherwise have impediments to the production of affordable housing.
- Unfilled regional housing needs from the previous Housing Element cycle resulting from the failure to provide adequate sites must be addressed in the first year of the next planning period in addition to all new housing needs that are assigned to that particular jurisdiction.

## 11. What do communities do when they run out of vacant and buildable land?

Communities with little or no remaining vacant land cannot escape RHNA -- they must still update their Housing Element to accommodate the RHNA. In these cases, the Housing Element may evaluate existing developed properties as "underutilized sites". Such properties may be available for intensification, or they may be non-residential sites with potential for re-designation and redevelopment for housing or mixed-use development. Examples of land with potential for recycling may include fragmented sites suitable for assembly, publicly owned surplus land, areas with mixed-use potential, properties facing substantial functional obsolescence, and blighted areas with abandoned or vacant buildings. Second units (aka "accessory dwelling units") also provide a means of accommodating additional housing in built-out communities. Under limited circumstances, a portion of the City's RHNA may be met through conversion of existing market rate apartments to affordable levels; preservation of affordable units at-risk of conversion to market rate; and substantial rehabilitation of substandard apartment units combined with long term affordability covenants.

## 12. What role does community input play in the Housing Element update?

Community input is a very important part of the Housing Element Update. State planning law requires that communities make diligent efforts to engage public participation that includes all stakeholders and income groups. The public process for the Housing Element will include educational workshops on housing issues, policy formation and program development. Late in the process, the Planning Commission and City Council will conduct formal hearings to adopt the updated Housing Element. Written public comment regarding issues related to housing are always welcome.



### 13. What is “certification” of the Housing Element and why is it important?

The State Legislature has delegated authority to the California Department of Housing and Community Development (“HCD”) to review Housing Elements and issue findings regarding the elements’ compliance with the law. If HCD issues a finding that the Housing Element is in substantial compliance with State law it is referred to as “certification” of the Housing Element.

Achieving certification of the Housing Element is important for two main reasons:

- 1) Maintaining Local control. The General Plan establishes the foundation for the City’s land use plans and regulations, and the Housing Element is part of the General Plan. If the City were challenged in court on a planning or zoning matter and the Housing Element were found by the court to be out of compliance, the court could order changes to City land use plans or regulations and assume control over some City land use decisions. HCD certification establishes a “rebuttable presumption of validity” that the Housing Element complies with State law, which would support the City’s legal defense. Recent laws also allow for courts to impose fines if a jurisdiction fails to adopt a compliant Housing Element.
- 2) Eligibility for grant funds. Some State grant funds are contingent upon Housing Element certification.

### 14. How can I find out more about the 2021 Housing Element update?

A webpage has been established on the City’s website for the Housing Element update at: <https://www.agourahillscity.org/department/planning-community-development/housing-element>

This webpage will be updated periodically with meeting notices, documents and other materials regarding the Housing Element update. If you have questions not addressed on the website, you can contact Assistant Planning Director, Allison Cook at: [ACook@agourahillscity.org](mailto:ACook@agourahillscity.org).