



# CITY COUNCIL STAFF REPORT



March 19, 2024

## ITEM TITLE

Housing Report: Accept the Housing Element 2023 Annual Progress Report and Housing Successor Annual Report for Fiscal Year 2022/23

**Report Number:** 24-0020

**Location:** No specific geographic location

**Department:** Housing and Homeless Services

**G.C. § 84308:** No.

**Environmental Notice:** The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required

## Recommended Action

Accept the Housing Element 2023 Annual Progress Report and the Housing Successor Annual Report for Fiscal Year 2022/23.

## SUMMARY

Annually, the City of Chula Vista prepares a Housing Element Progress Report on the implementation of the City’s Housing Element, which also includes the Successor Housing Agency Report required by Senate Bill 341 under Health and Safety Code Section 34176.1(f). The Housing Element Report provides detailed information regarding the housing activities of the City of Chula Vista from January 1, 2023 to December 31, 2023. The SB-341 Report includes housing and financial activities of the Housing Authority’s Low- and Moderate-Income Housing Fund of the former Redevelopment Agency. The respective reports must be submitted to the State of California Department of Housing and Community Development by April 1 of each year.

## ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (“CEQA”) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

## DISCUSSION

### Housing Element Progress Report

Adopted on July 13, 2021 and amended on September 13, 2022, the City of Chula Vista’s [2021-2029 Housing Element](#) addresses the housing needs and opportunities for present and future Chula Vista residents. Each year, the City must submit to the State of California Department of Housing and Community Development (“HCD”) a summary of its progress in implementing the policy and action programs outlined within the Housing Element based on the specified goals and objectives. The 2023 Housing Element Progress Report (the “HE Report”), included as Attachment 1 (Executive Summary) and Attachment 2 (Required Housing Element Reporting Forms), provides detailed information regarding housing activities of the City of Chula Vista from January 1, 2023 through December 31, 2023.

California Government Code Section 65400 requires the HE Report to include the following: (1) progress in meeting the Regional Housing Needs; (2) the effectiveness of the Housing Element in the attainment of the community’s housing goals and objectives; and (3) progress toward mitigating governmental constraints identified in the Housing Element.

In 2023, building permits were issued for 879 new residential units, including building permits issued for 58 deed restricted lower income housing units, as detailed in Table 1 (Table B of Attachment 2).

**Table 1  
Regional Housing Needs Allocation Progress - Permitted Units Issued by Affordability**

Income Level		RHNA Allocation by Income Level	Projection Period 6/30/2020-12/31/2020	2021	2022	2023	Total Units to Date	Remaining RHNA By Income Level
Very-Low	Deed Restricted	2,750	12	46	95	-	153	2,597
	Non-Deed Restricted		-	-	-	-		
Low	Deed Restricted	1,777	-	65	276	58	399	1,378
	Non-Deed Restricted		-	-	-	-		
Moderate	Deed Restricted	1,911	-	-	-	-	-	1,911
	Non-Deed Restricted		-	-	-	-		
Above Moderate		4,667	1,753	749	804	821	4,127	540
<b>TOTAL RHNA</b>		<b>11,105</b>						
<b>TOTAL UNITS</b>			<b>1,765</b>	<b>860</b>	<b>1,175</b>	<b>879</b>	<b>4,679</b>	<b>6,426</b>
Extremely- Low		1,375	-	29	-	-	29	1,346

The 58 deed restricted units are for Landis Senior Apartments, currently under construction north of E Street and Third Avenue. The City has met 42% of its RHNA allocation three years into the current HE cycle. Other notable programmatic accomplishments during the reporting period include the following:

**Housing Assistance Related Programs**

Program Name	Number of Households Assisted
Tenant Based Rental Assistance	37
Rapid Re-Housing (Homeless)	4
Hotel/Motel Voucher	5
Community Housing Improvement Program (CHIP)	6

**Code Enforcement Related Programs**

Program Name	Number of Inspections
Multifamily Housing Inspections	237
Mobile Home Inspection Program	185

Senate Bill 341 Report (“SB-341”) (the “SB-341 Report”)

On January 1, 2014, SB-341 became effective, amending Health and Safety Code Section 34176.1(f), requiring each housing successor agency that assumed the housing functions of a former Redevelopment Agency to prepare financial statements for the Redevelopment Housing Agency and post a separate report on its website containing information regarding the housing and financial activities of the Low to Moderate Housing Fund (“LMIHAF”) of the former Redevelopment Agency for the previous year.

The Housing Successor Annual Report for Fiscal Year 2022-2023 is included as Attachment 3. As required by HCD, this report will be included with the submittal of the Housing Element Annual Progress Report. Some highlights from this report include a total deposit of \$610,481 by the Housing Authority into the Housing Asset Fund from a variety of revenue sources. These revenues were offset by the change in the fair market values which resulted in a net loss of \$78,759 from the Housing Asset Fund. A total of \$10,002 was expended by the Housing Authority, all of which were for administrative costs. These included \$7,150 from the LMIHAF, which largely consisted of transfers out and \$2,850 expended on the Orange Tree Mobile Home Park, which largely consisted of operating expenses and contracted services. The Housing Asset Fund balance as of June 30, 2023 was \$13,590,518. The sources of funds consisted of loans receivable, the Orange Tree Mobile Home Park, cash and cash equivalents along with other miscellaneous items.

**DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council member do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov’t Code § 87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

**CURRENT-YEAR FISCAL IMPACT**

There are no current-year fiscal impacts as a result of this action. All staff time and costs to prepare this report were included in the current fiscal year budget.

## **ONGOING FISCAL IMPACT**

There are no ongoing fiscal impacts as a result of this action.

## **ATTACHMENTS**

1. Housing Element 2023 Annual Report Executive Summary
2. Housing Element Reporting Forms (Calendar Year 2023)
3. Housing Successor Annual Report-SB-341 (Fiscal Year 2022-2023)

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