

# Chapter 1

## *Introduction*





## A. Role of the Housing Element

The Housing Element is one of the seven State mandated elements included in the City of Costa Mesa's General Plan. The purpose of the Housing Element is to identify a high-level strategy and blueprint for addressing the City's existing and projected housing needs over the eight-year planning cycle. It contains a detailed work program of the City's housing goals, policies, quantified objectives, and actions or programs for the preservation, improvement, and development of housing for a sustainable future.

Each eight-year planning cycle, the City is allocated a specific number of housing units called the Regional Housing Needs Allocation (RHNA) determined by the Southern California Association of Governments (SCAG). The RHNA quantifies future housing growth within a City. Through research and analysis, the Housing Element identifies potential candidate housing sites and establishes the City's official housing policies and programs to accommodate the City's RHNA allocation. As part of the Housing Element, focus areas and corridors are identified where future housing may be appropriate. Candidate housing sites within those areas are identified in order to show that the City has or will have sufficient land with the appropriate zoning to facilitate the development of housing by the private market in sufficient quantity to meet its RHNA allocation. The Housing Element is not a document that lays out specifically where future housing must go nor does it mandate housing construction. The Housing Element is an important tool for the City of Costa Mesa to plan for and accommodate current and future housing growth within the community, over the eight-year planning cycle (2021-2029).

## B. State Policy and Authorization

### 1. Background

As a mandated element of the Costa Mesa General Plan, the Housing Element must meet all requirements of existing state laws. Goals, programs and policies, and quantified objectives developed within the Housing Element are consistent with state law and are implemented within a designated timeline to ensure the City accomplishes the identified actions as well as maintains compliance with state law. The California Department of Housing and Community Development (HCD) reviews each Housing Element for substantial compliance with state law. HCD's review is required before a local government can adopt its housing element as part of its overall General Plan.

### 2. State Requirements

California State Housing Element Law (California Government Code Article 10.6) establishes the requirements for the Housing Element. California Government Code Section 65588 requires that local governments review and revise the Housing Element of their comprehensive General Plans no less than once every eight years.

The California Legislature identifies overall housing goals for the State to ensure every resident has access to housing and a suitable living environment; Section 65580 of the California Government Code states the following Housing Element goals:



- a. *The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.*
- b. *The early attainment of this goal requires cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians in all economic levels.*
- c. *The provisions of housing affordable to low- and moderate-income households requires the cooperation of all levels of the government.*
- d. *Local and State governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for housing needs of all economic segments of the community. The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.*

**Table 1-1** summarizes State Housing Element requirements and identifies location in this document where these requirements are addressed.

Table 1-1: Housing Element Requirements		
Housing Element Requirement(s)	Gov. Code Section	Reference in Housing Element
Analysis of employment trends.	Section 65583.a	Chapter 2.B.1
Projection and quantification of existing and projected housing needs for all income groups.	Section 65583.a	Chapter 3.F
Analysis and documentation of the City’s housing characteristics, including cost for housing compared to ability to pay, overcrowding, and housing condition.	Section 65583.a	Chapter 2.C, D, F
An inventory of land suitable for residential development including vacant sites and sites having redevelopment potential.	Section 65583.a	Chapter 3.F.1
Analysis of existing and potential governmental constraints upon the maintenance, improvement or development of housing for all income levels.	Section 65583.a	Chapter 3.B
Analysis of existing and potential nongovernmental (private sector) constraints upon maintenance, improvement or development of housing for all income levels.	Section 65583.a	Chapter 3.B
Analysis concerning the needs of the homeless.	Section 65583.a	Chapter 2.E.8
Analysis of special housing needs: handicapped, elderly, large families, farm workers, and female-headed households.	Section 65583.a	Chapter 2.E
Analysis of opportunities for energy conservation with respect to residential development.	Section 65583.a	Chapter 3.G.2
Identification of Publicly-Assisted Housing Developments.	Section 65583.a	Chapter 3.E.3
Identification of Units at Risk of Conversion to Market Rate Housing.	Section 65583.a	Chapter 3.E.3



Table 1-1: Housing Element Requirements		
Housing Element Requirement(s)	Gov. Code Section	Reference in Housing Element
Identification of the City’s goal relative to the maintenance, improvement, and development of housing.	Section 65583.a	Chapter 4
Analysis of quantified objectives and policies relative to the maintenance, improvement, and development of housing.	Section 65583.b	Chapter 4
Identification of adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels.	Section 65583.c(1)	Appendix B
Identification of strategies to assist in the development of adequate housing to meet the needs of low and moderate-income households.	Section 65583.c(2)	Chapter 3.E.1, 2, 3
Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.	Section 65583.d	Appendix C
Description of the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments.	Section 65583.e	Chapter 3.F
Analysis of Fair Housing, including Affirmatively Furthering Fair Housing.	Section 8899.50	Chapter 3.E
Review of the effectiveness of the past Element, including the City’s accomplishments during the previous planning period.	Section 65583.f	Appendix A
<i>Source: State of California, Department of Housing and Community Development.</i>		

Costa Mesa’s current Housing Element was adopted in January 2014 for the 5<sup>th</sup> cycle for the 2014 - 2021 planning period. The 6<sup>th</sup> Cycle Housing Element will plan for the 2021-2029 planning period. Multiple amendments have been made to Housing Element law since the adoption of the City’s 5<sup>th</sup> Cycle Housing Element; such amendments and subsequent housing laws change the required analysis, reporting and policies contained in the Housing Element. The contents of this updated Housing Element comply with these amendments to state housing law and all other federal, state and local requirements.

### 3. Regional Housing Needs Assessment

California’s Regional Housing Needs Assessment (RHNA) is the basis for determining future housing need, by income category, within the state and is based on growth in population, households, and employment. The statewide RHNA is determined under the administration of the Department of Housing and Community Development (HCD). The quantified housing need is then allocated among the state’s 18 Metropolitan Planning Organizations (MPOs). For the City of Costa Mesa’s case, this agency is the Southern California Association of Governments (SCAG).

In accordance with Section 65583 of the California Government Code, SCAG then delegates a “fair share” of housing need to its member jurisdictions. The City of Costa Mesa’s RHNA allocation is divided amongst four income categories, which are benchmarked on the County of Orange’s median income for a family of



four. **Table 1-2** below identifies the four income categories by which the City’s RHNA allocation is divided. For the 2021-2029 planning period the City of Costa Mesa is allocated a total of 11,760 units as shown below.

<b>Income Category</b>	<b>Percent of Median Family Income (MFI)</b>	<b>Costa Mesa’s RHNA Allocation for the 2021-2029 Planning Period</b>
Very Low Income	0-50% MFI	2,919 units
Low Income	51-80% MFI	1,794 units
Moderate Income	81-120% MFI	2,088 units
Above Moderate Income	>120% MFI	4,959 units
<b>Total</b>		<b>11,760 units</b>

#### **4. Relationship to Other General Plan Elements**

The goals, policies, actions, and programs within the Housing Element relate directly to, and are consistent with, all other elements in the City’s General Plan. The City’s Housing Element identifies programs and resources required for the preservation, improvement, and development of housing to meet the existing and projected needs of its population.

The Housing Element works in tandem with development policies contained in the Land Use Element, most recently amended in 2018. The Land Use Element establishes the location, type, intensity and distribution of land uses throughout the City, and defines the land use build-out potential. By designating residential development, the Land Use Element places an upper limit on the densities and types of housing units constructed in the City. The Land Use Element also identifies lands designated for a range of other uses, including employment creating uses, open space, and public uses. The presence and potential for jobs affects the current and future demand for housing at the various income levels in the City.

The City’s Transportation Element also affects the implementation of the Housing Element. The Transportation chapter establishes policies for a balanced circulation system in the City. Costa Mesa’s Circulation Element establishes policies governing the system of roadways, intersections, bike paths, pedestrian ways, and other components of the circulations system, which collectively provide for the movement of persons and goods throughout the City. Consequently, the Housing Element must include policies and incentives that consider the types of infrastructure essential for residential housing units in addition to mitigating the effects of growth in the City.

The Housing Element has been reviewed for consistency with the City’s other Community Plan Chapters, and the policies and programs in this Element are consistent with the policy direction contained in other parts of the General Plan. As portions of the General Plan are amended in the future, the Housing Element will be reviewed to ensure that internal consistency is maintained.

#### **5. Public Participation**

Public participation is a vital component of the Housing Element update process. Public engagement creates opportunities for community members to provide their input and feedback, information which then directs the Housing Element’s goals, policies and programs. Section 65583 of the Government Code requires local governments to make diligent and continued efforts to achieve public participation of all



economic segments of the community. Meaningful community participation ensures that a variety of stakeholders and community members are offered a platform to engage in the City's planning process.

The City of Costa Mesa engaged in an extensive community outreach process as part of the development of the 6<sup>th</sup> Cycle Housing Element. The outreach plan focused on reaching as many segments of the population as possible through a series of citywide meetings, district-specific meetings, focused group meetings, and meetings with topical experts in the area of housing. These efforts were complemented by a series of online presentations, handouts, and community surveys.

Outreach for the 6th Cycle Housing Element to the community are outlined in detail in **Appendix C: Summary of Community Outreach**, and includes the following actions:

- Housing Element Update webpage with all housing materials available in English and Spanish, located at : [www.costamesaca.gov/housing-element-update](http://www.costamesaca.gov/housing-element-update)
- Virtual Townhall Meetings
- District Specific Meetings
- Stakeholder Meetings
- Online Community Survey
- City Council and Planning Commission Study Sessions

As required by Government Code Section 65585(b)(2), all written comments regarding the Housing Element made by the public have previously been provided to each member of the City Council.

Appendix C contains a summary of all public comments regarding the Housing Element received by the City during the update process.

***[Note: This section to be updated prior to adoption to include additional public meetings and outreach.]***

## **6. Data Sources**

The data used for the completion of this Housing Element comes from a variety of sources. These include, but are not limited to:

- 2000 and 2010 Census
- American Community Survey
- Regional Analysis of Impediments to Fair Housing (AI)
- Point-in-Time Homeless Census by the Regional Task Force on the Homeless, 2020
- Home Mortgage Disclosure Act (HMDA) lending data
- California Department of Economic Development
- California Employment Development Division Occupational Wage data, 2020
- Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), 2013-2017

The data sources represent the best data available at the time this Housing Element Update was prepared. The original source documents contain the assumptions and methods used to compile the data.



## ***7. Housing Element Organization***

This Housing Element represents the City’s policy program for the 2021-2029 6<sup>th</sup> Planning Period. The Housing Element is comprised of the following Chapters:

**Chapter 1: Introduction** contains as summary of the content, organization, and statutory considerations of the Housing Element;

**Chapter 2: Community Profile** contains an analysis of the City’s population, household and employment base, and the characteristics of the housing stock;

**Chapter 3: Housing Constraints, Resources, and Fair Housing** examines governmental and non-governmental constraints on production, maintenance, and affordability of housing and provides a summary of housing resources, including sites identification and funding and financial considerations;

**Chapter 4: Policy Plan** addresses Costa Mesa’s identified housing needs, including housing goals, policies, and programs.

**Appendices** provides various appendices with supplementary background resources including:

- **Appendix A** – Review of Past Performance of 5<sup>th</sup> Cycle Programs
- **Appendix B** – Summary of Adequate Sites Analysis
- **Appendix C** – Summary of Outreach
- **Appendix D** – Glossary of Housing Terms