
REGIONAL HOUSING NEEDS ALLOCATION (RHNA) AND HOUSING ELEMENT UPDATE

CITY OF RANCHO SANTA MARGARITA
JANUARY 13, 2021



BACKGROUND

State Requirements for Cities

- General Plan with mandatory elements
- Housing Element must be updated **every eight years**
- CA Department of Housing and Community Development (HCD)
 - Sets regional housing need number
 - Reviews and certifies Housing Elements

Southern California Association of Governments (SCAG)

- Council of Governments for six-county region: Imperial, Los Angeles, Orange, Riverside, San Bernardino, Ventura
- 197 jurisdictions in SCAG Region including 191 cities
- Distributes regional housing need from State
 - Methodology
 - Appeals
- SCAG Housing Element updates due for “6th Cycle” October 2021
- Adopts Regional Transportation Plan
- Orange County Council of Governments is a **subregional** entity (34 cities, County, Special Districts)

EDUCATIONAL VIDEOS

Orange County Council of Governments and Association of California Cities Orange County

- Housing for All Part 1:
https://www.youtube.com/watch?v=00MDn3bG6VE&feature=youtu.be&mc_cid=697da57112&mc_eid=271c366d21
- Housing for All Part 2:
https://www.youtube.com/watch?mc_cid=697da57112&mc_eid=271c366d21&v=iYcbvplH6v0&feature=youtu.be



REGIONAL HOUSING NEEDS ALLOCATION (RHNA)

- 1,341,827 housing units to SCAG Region
 - Six counties: Imperial, Los Angeles, Orange, Riverside, San Bernardino, Ventura
 - 197 jurisdictions
- **183,430 housing units to Orange County**
 - 34 Cities and County Unincorporated Areas
- Table shows sample of Orange County Cities' RHNA
- 3 cities with lower RHNA than RSM: Dana Point, Laguna Beach, Villa Park

Jurisdiction	Draft RHNA
Rancho Santa Margarita	680
Aliso Viejo	1,193
Laguna Hills	1,980
Lake Forest	3,228
Mission Viejo	2,211
San Clemente	978
Irvine (highest in OC)	23,554
Villa Park (lowest in OC)	296

CITY OF RANCHO SANTA MARGARITA 6TH CYCLE RHNA

- 6th Cycle Housing Element: October 2021 to October 2029 (8 years)
- Breakdown impacts the types and densities of units that need to be planned
- Compare to March 2020 General Plan – 528 dwelling units over 20 years
 - Mixed use
 - Accessory Dwelling Units (“ADUs”)
 - Limited new development

RSM RHNA Breakdown

Income Category	Number of Units	Percent of Total
Very-low Income (<50% AMI)	209	30.6%
Low Income (50-80% AMI)	120	17.6%
Moderate Income (80-120% AMI)	125	18.3%
Above Moderate Income (>120% AMI)	226	33.4%
Total	680	

RHNA APPEALS

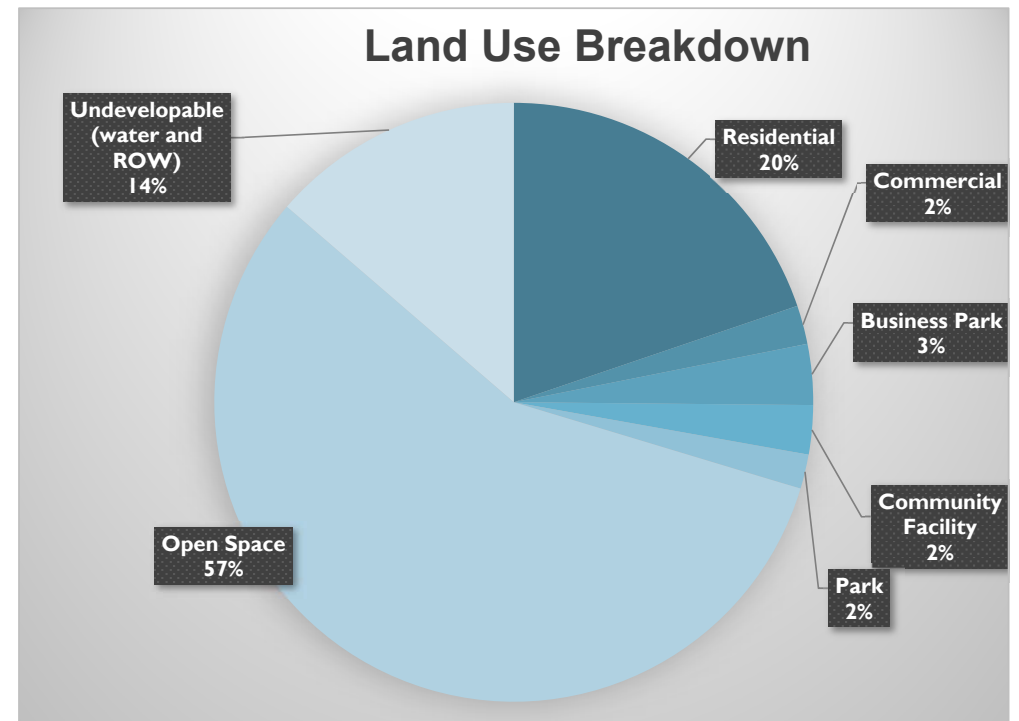
- SCAG adopted a narrowly-defined appeal process with limited bases for appeal
 - 1,341,827 housing units allocated to SCAG Region by State **not subject to appeal**
 - RHNA Allocation methodology **not subject to appeal**
 - Existing General Plan and Zoning **not a basis for appeal**
- 52 appeals filed (26% of SCAG Jurisdictions)
 - 21 in Orange County
 - 17 cities and the County
 - 4 cities appealed Santa Ana's number

CITY OF RANCHO SANTA MARGARITA BASES FOR APPEAL

- **AVAILABILITY OF LAND SUITABLE FOR URBAN DEVELOPMENT OR FOR CONVERSION TO RESIDENTIAL USE**
 - Significant Land Use Constraints
 - Relatively new development, not in need of redevelopment
- **DISTRIBUTION OF HOUSEHOLD GROWTH ASSUMED FOR PURPOSES OF COMPARABLE REGIONAL TRANSPORTATION PLANS**
 - Consistency with the Regional Transportation Plan
 - 424 units allocated to RSM based on job and transit availability
 - 212 units from disadvantaged communities

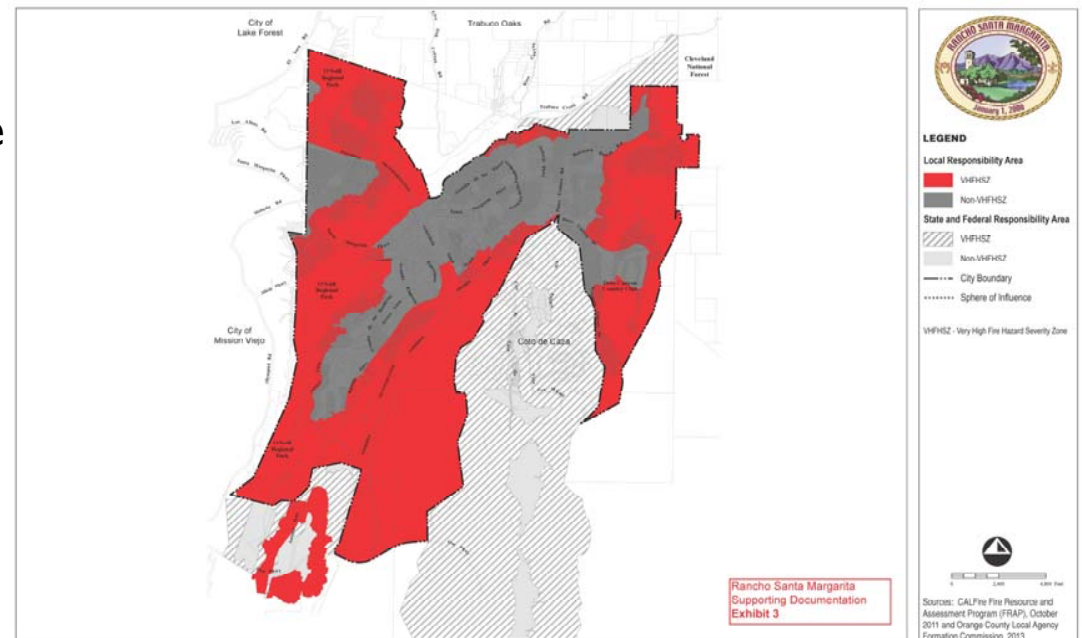
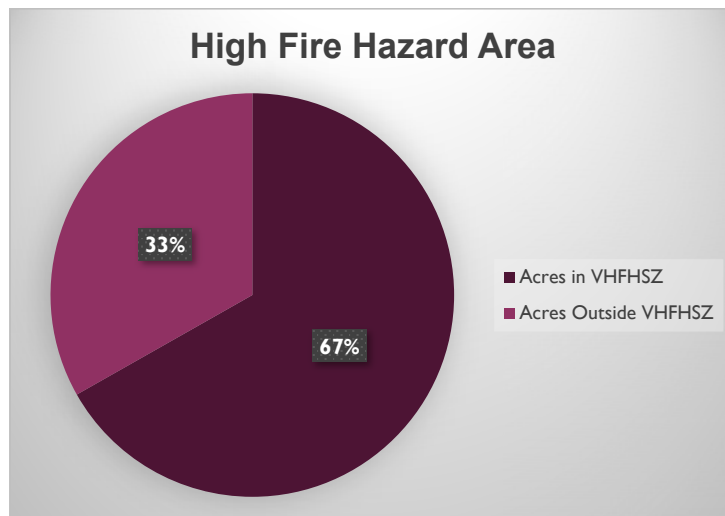
LAND USE CONSTRAINTS

- 71% of the land within the City is not suitable for development. This includes protected open space, water bodies, and public right-of way



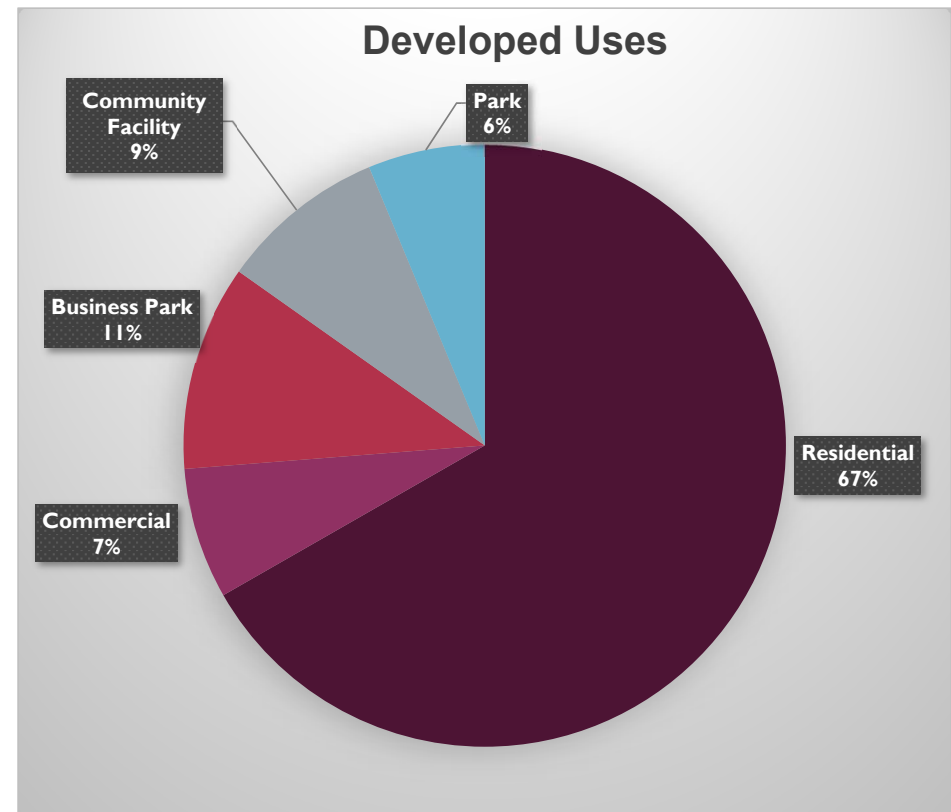
LAND USE CONSTRAINTS

- 67% of the City is located within High Fire Hazard Severity Zone as designated by the California Department of Forestry and Fire Protection (CalFire)



LAND USE CONSTRAINTS

- Majority residential development
- Most buildings, shopping centers, and homes in the City are less than 35 years old and are not in need of significant repairs or redevelopment
- **Conversion of commercial and business park areas would be detrimental**
 - Residents have to travel further for goods, services, and jobs
 - Loss of sales tax revenue
 - Hinder projected job growth
 - Harm jobs-housing balance



Distribution Of Household Growth Assumed for Purposes of Comparable Regional Transportation Plans

- Distribution is inconsistent with SCAG Adopted Regional Transportation Plan (Connect SoCal) Growth Forecast
 - 300 units over 29 years
- Allocation of units used one-size-fits-all approach
- Does not maximize use of Public Transportation

REALISTIC CAPACITY: RANCHO SANTA MARGARITA'S APPEAL REQUEST

- Reduce Rancho Santa Margarita's RHNA to 254 units as follows:
 - Projected Need per SCAG Methodology of 43 units; and
 - Existing Need at a rate consistent with the City's General Plan 20-year capacity of 211 units

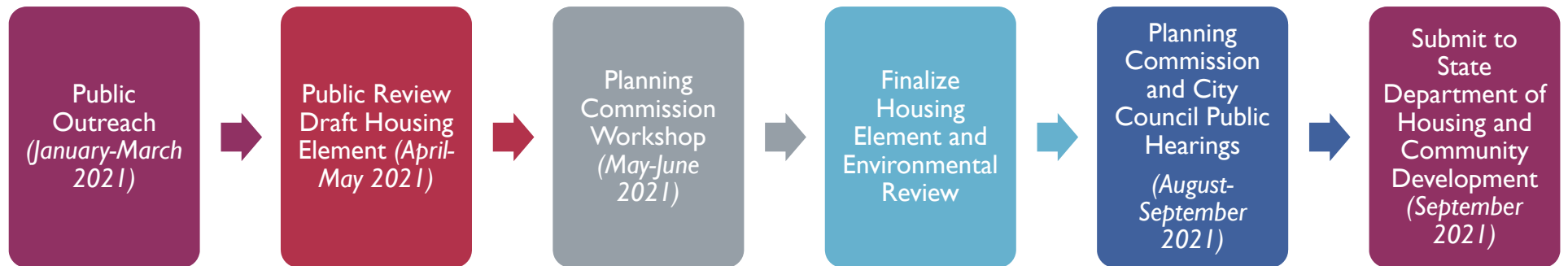
NONETHELESS....

- City must plan for its share of regional housing
 - Final allocation February/March 2021
- Housing Element Update is due October 2021

WHAT HAPPENS IF WE DO NOT HAVE A CERTIFIED HOUSING ELEMENT?

- Ineligible for some types of State funding
- Loss of land use control
- Freeze on building permits (commercial and residential)
- Fines

HOUSING ELEMENT SCHEDULE



NEXT UP

- Public Outreach – Virtual Format
 - Dedicated web page
 - Educational videos and information
 - Surveys
 - Input - HOW to plan for RHNA

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