SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.58 (ID # 24932) MEETING DATE: Tuesday, May 21, 2024

FROM : TLMA-PLANNING:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/PLANNING: Initiation of an analysis of the various types of Inclusionary Zoning (IZ) / Affordable Housing programs. Bring back implementation recommendations to the Board of Supervisors, pursuant to the County's 6th Cycle Housing Element implementation program, Action Item H-12. All Districts. [\$30,000 Total Cost – Department Budget 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

- <u>ADOPT</u> an order initiating an analysis of the various types of Inclusionary Zoning (IZ) / Affordable Housing programs and bring back implementation recommendations to the Board of Supervisors, pursuant to the County's 6th Cycle Housing Element implementation program, Action Item H-12; and
- 2. **<u>DIRECT</u>** the Planning Department, Housing and Workforce Solutions, and County Counsel to provide recommendations.

ACTION:Policy

hildebrand, Planning Director

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

| Ayes: | Jeffries, Spiegel, Washington, Perez and Gutierrez |
|---------|--|
| Nays: | None |
| Absent: | None |
| Date: | May 21, 2024 |
| xc: | Planning, HWS, CO.CO. |

Kimberly A. Rector Clerk of the Board By: Claome Depu

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| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost |
|------------------|----------------------|-------------------|---------------|--------------|
| COST | \$30,000 | \$0 | \$30,000 | \$0 |
| NET COUNTY COST | \$0 | \$0 | \$0 | \$0 |
| SOURCE OF FUNDS: | Budget Adjus | stment: No | | |
| | | | For Fiscal Ye | ear: 24/25 |

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

<u>Summary</u>

Pursuant to the current draft of the Riverside County Housing Element 6th Cycle update, Action Item H-12 requires the County to establish a Countywide program for affordable housing production with inclusionary zoning, as follows: "The County is in the process of evaluating a County-wide inclusionary housing ordinance with an in-lieu fee to support affordable housing projects. This ordinance amendment will be the first item of discussion during the County's Quarter 3 Housing Element Working Groups for the West and East County. Consider strategies as part of new growth for already-approved specific plan areas."

Affordable housing programs come in a wide range of options including percentage set-asides of new residential developments to cash in-lieu fees, that collectively fall under the term Inclusionary zoning (IZ). Inclusionary zoning, also known as inclusionary housing, can also be coupled with opportunities for density bonuses (an allowance to build more units than would otherwise be permitted), when a certain number of affordable units are produced. By including affordable housing in a market-rate housing development, inclusionary housing policies promote mixed-income development projects.

The current timeframe for implementation of Action Item H-12 requires the County to do the following: "Time Frame: Initiate a study/ordinance for inclusionary housing in 2024 and bring back options for the Board to consider creating an inclusionary housing ordinance in 2025. Complete evaluation of ordinance in Housing Element Working Groups by July 2024."

Additionally, the Housing Element goals for this 6th Cycle Amendment are as follows:

<u>Goal 1, New Construction</u>: Facilitate new housing opportunities to meet the needs of existing and future unincorporated Riverside County residents in all income categories.

<u>Goal 2, Innovative Housing Types</u>: Encourage construction of innovative housing types that are affordable and promote mixed-income neighborhoods.

<u>Goal 3, Affordable Housing</u>: Encourage construction, maintenance, improvement, and preservation of safe, decent, and sound affordable housing in unincorporated Riverside County.

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<u>Goal 4, Special-Needs Groups</u>: Work towards meeting the housing needs of special groups of unincorporated County residents, including but not limited to a growing senior population, large families, female headed households, farmworkers, persons with disabilities, persons with developmental disabilities, and persons and households in need of emergency shelter.

<u>Goal 5, Affirmatively Furthering Fair Housing</u>: Promote affirmative further fair housing opportunities throughout the unincorporated County for all persons regardless of age, race, religion, color, religion, ancestry, national origin, sex, marital status, disability, familial status, or sexual orientation.

Although, Riverside County is already facilitating the process for creation of affordable housing, this is meant as an augmentation strategy to bolster production. Riverside County's Housing and Workforce Solutions, continues to look for opportunities to develop affordable units, partnering with Cities and non-profits.

The initial step in determining California's housing needs is the Regional Housing Needs Plan, which is mandated by the State of California (California Government Code Section 65584) and requires regions to address housing issues and needs based on future growth projections for a specific region. The California Department of Housing and Community Development (HCD) allocates regional housing needs numbers to regional Councils of Governments (COG) throughout the state. The Regional Housing Needs Plan for Riverside County is developed by the Southern California Association of Governments (SCAG), who allocates to cities and the unincorporated County their "fair share" of the region's projected housing needs, also known as the Regional Housing Needs Assessment (RHNA) Allocation. The Regional Housing Needs Plan allocates the RHNA based on household income groupings over the eight-year planning period for each specific jurisdiction's Housing Element.

On March 4, 2021, SCAG adopted the 6th Cycle Final RHNA Plan for the 2021-2029 planning period. The allocation for the unincorporated County of Riverside is a total of 40,647 housing units. Through the 6th Cycle Housing Element update process, the County will identify sites to accommodate these units.

The following table illustrates the breakdown for the various income categories and the County's relative obligation for housing production:

| Income Category | *Income Range | 2021-2029 RHNA 5,185 | |
|-----------------|---------------------|--------------------------------|--|
| Extremely Low: | \$0 - \$26,500 | | |
| Very Low: | \$26,501 - \$39,500 | 5,186 | |
| Low: | \$39,501 - \$63,200 | 6,627 | |
| Moderate: | \$63,201 - \$93,000 | 7,347 | |
| Above Moderate: | \$93,001 + | 16,302 | |
| Total: | | 40,647 | |

Source: SCAG, March 2021 (Housing Element) *Based on a four-person household

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Initiation Process

The Board of Supervisors **Policy No. A-67** requires initiation of a new ordinance or ordinance amendment by the Board of Supervisors with the adoption of an order by an affirmative majority vote. This initiation process starts with the Board of Supervisors directing staff to research and analyze the various programs related to Inclusionary Zoning. Staff will then bring a set of options back to the Board of Supervisors for review and consideration. Board will then further direct staff on the preferred option or options, and to craft the appropriate implementation documentation, which could include a new ordinance, amendment to existing ordinances, or a policy. This may result in multiple implementation programs, to serve the diverse areas and needs throughout the entire County.

Impact on Residents and Businesses

There are many types of Inclusionary Zoning and Affordable Housing programs. If a program were to be implemented, there would be a positive impact on resident's ability to obtain housing, who fall within a certain income category. Additionally, a new Inclusionary Zoning program will further the County's goals for housing production, with respect to the RHNA obligation.

Additional Fiscal Information

The full scope of the fiscal impact will be contingent upon program recommendations. It is intended to implement a fair and equitable program, that achieves the County's Housing goals. This initiation to conduct the analysis, will result in fiscal modeling to determine the best approach.

Jason Farin, Principal Management Analyst 5/16/2024

5/16/2024

| Riverside County Board of Supervisors Request to Speak Submit request to Clark of Board (Fight of podium), Speakers are entitled to three (3) minutes, subject to Board Rules listed on the reverse side of this form. SPEAKER'S NAME: Mariela Loera | | | | | |
|---|--|--|--|--|--|
| Address:(only if follow-up mail response requested) | | | | | |
| City:Zip: | | | | | |
| Phone #: Date: Agenda # <u>3.58</u> PLEASE STATE YOUR POSITION BELOW: | | | | | |
| Position on "Regular" (non-appealed) Agenda Item: | | | | | |
| SupportOpposeNeutral | | | | | |
| Note: If you are here for an agenda item that is filed for "Appeal", please state separately your position on the appeal below: | | | | | |
| SupportOpposeNeutral | | | | | |
| I give my 3 minutes to: | | | | | |
| (Revised: 08/16/2022) | | | | | |

Lopez, Daniel

From: Sent: To: Cc: Subject:

Follow Up Flag: Flag Status: Aquia Mail Monday, May 20, 2024 10:13 AM mloera@leadershipcounsel.org Clerk of the Board Request to Speak Web Submission

Follow up Flagged

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Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use **Meeting ID # 864 4411 6015**. Password is 20240521. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am with the phone number you provided in the form so you can be identified during the meeting.

Submitted on May 20, 2024

Submitted values are:

First Name Mariela

Last Name Loera

Phone 9097288680

Email mloera@leadershipcounsel.org

Agenda Date 05/21/2024

Agenda Item # or Public Comment 3.58

State your position below Neutral