



# FUTURE READY FOUNTAIN VALLEY

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## 2040 General Plan

### **General Plan Advisory Committee (GPAC) Status Update – April 2020**

#### **Summary**

The General Plan Update and GPAC meetings were postponed to align with the state mandated Regional Housing Needs Assessment (RHNA), which is the allocation of housing and affordable housing that each jurisdiction must accommodate. The number of housing units that the City will be required to accommodate dictates the land use plan and options that the GPAC will need to consider.

While we are still awaiting the “official” notification, we know the approximate scale of the RHNA allocation to Fountain Valley (4,832 units). However, before proceeding with the General Plan update, we are seeking direction from the California Department of Housing and Community Development (HCD) on the number of potential Accessory Dwelling Units (ADUs), also known as granny flats, that the city can assume to count toward its RHNA allocation.

#### **2020 Schedule Update**

Coupled with COVID-19, the schedule will be extended until the summer of 2020 when we should have a more definitive determination from HCD on the ADU question (see below for an explanation) and, hopefully, be safe to conduct GPAC business.

#### **RHNA and ADU Update**

The following is a summary of the latest developments:

- On March 5, 2020, the Southern California Association of Governments (SCAG) provided the final methodology to allocate 1,341,827 housing units throughout the SCAG region. While the official draft RHNA allocation is scheduled to be distributed in late April/early May, based on the adopted final RHNA methodology, Fountain Valley has been allocated 4,832 units. 2,922 units of the City’s allocation will need to be for lower and moderate income residents and will need to be placed on lands zoned at higher densities. The following links provide greater detail:

<http://www.scag.ca.gov/programs/Documents/RHNA/Staff-Recommended-RHNA-Estimated-Allocations-030520.pdf>

<http://www.scag.ca.gov/programs/Pages/Housing.aspx>

- We are about to enter the appeal phase of the RHNA process. This will be an opportunity to appeal the City's RHNA allocation. However, due to restrictions, any successful appeal is not anticipated to result in a significant change in our allocation, and we may even see our allocation increase. Staff is evaluating appeal procedures and potential rationale. The key dates for the appeals process have not yet been finalized by the SCAG Regional Council, but SCAG anticipates that the 45-day filing period for appeals will occur between early May and mid-June 2020. More details can be found here:

<http://www.scag.ca.gov/programs/Pages/Housing.aspx>

<http://www.scag.ca.gov/programs/Documents/RHNA/RHNAAppealsFAQ.pdf>

- Critical for our General Plan Update process will be a determination by the state on the number of ADUs that a city will be allowed to assume toward meeting their RHNA allocation. In October, the Governor signed a package of housing bills that allows three units on every single-family lot: the main house, an ADU, and a Junior ADU. More information on ADUs can be found here: <https://www.hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml>

Fountain Valley has approximately 26,224 units of ADU capacity based on ADU law. This is more than enough capacity to accommodate the RHNA allocation without any land use changes. In order for the GPAC to effectively plan, the state needs to provide direction on how many of those ADUs can be assumed to count toward the RHNA allocation and how many of those ADUs will be able to count as affordable housing.

On April 7, 2020, HCD provided some direction to Orange County but not a definitive answer to this question. HCD stated that they will count ADUs toward the RHNA allocation and is willing to consider our assumptions for the numbers of ADUs we forecast to be developed; however, it will need to be accompanied by analysis and programs/policies that facilitate ADU development. HCD stated they would consider our ADU assumptions as early as possible so that we will know the scale of non-ADU units we must accommodate in our land use planning efforts.

Staff is in the process of developing an ADU assumption package for submittal to HCD.

As this process unfolds, we will provide periodic updates.

If you would like background on the justifications for the RHNA allocation, you can see the following: <https://housingtoolkit.ca-ilg.org/affordable-housing-crisis>