

Sites Inventory Helpful Hints and Potential Pitfalls

SCAG Virtual Housing Element Conference

August 27, 2020



Top Housing Element Land Inventory Concerns

- 1) Calculating capacity for the sites inventory
- 2) Using nonvacant/mixed-use sites
- 3) Relying on less than the default density
- 4) Parcel size – small/large
- 5) Rezoning



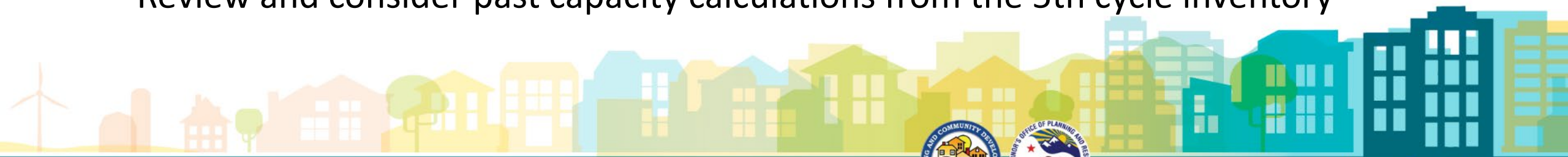
When starting your sites inventory: Helpful Hints

- Review the 5th cycle land inventory
- Remove sites that have been built or not available
- Add any new rezoned or available sites such as from annexation, etc.,
- Review a list of pending and approved projects that will likely be available during the planning
- Identify gaps and strategies to addressing RHNA based on a surplus or shortfall and location of sites to ensure sites selected meet requirements to affirmatively further fair housing



When calculating capacity: Helpful Hints

- Separate analysis of capacity calculations for residential and non-residential sites
- Project past trends but also consider future trends based on proposed projects, new strategies/programs, and past trends
- Consider assumptions and buffers including typical built densities for affordable housing developments vs market rate developments
- Consider Incentives or requirements for residential to be developed on non-residential sites
 - Be conservative with your assumptions when considering counting residential to be developed on non-residential sites
- Review and consider past capacity calculations from the 5th cycle inventory



When calculating capacity: Common Pitfalls

- Too aggressive on capacity calculations – example: 100% capacity
- Not factoring in physical site constraints
- Not providing analysis when assuming residential on non-residential sites
- Not explaining how you determined your capacity calculations



Example Sites Inventory

	Extremely/ Very Low	Low	Mod	Mkt Rate	TOTAL
RHNA	356	224	259	607	1,446
Approved Projects	--	28	252	1,125	1,405
Remaining RHNA (after credits)	356	196	7	-518	41
Specific Plan A	--	--	100	811	911
ADUs	--	203	202	--	405
Vacant Sites	366		24	--	290
Total Land Availability	366	203	326	811	1,706
Remaining RHNA Balance	-17		-319	-1,847	--



Non-vacant or underutilized sites

- Timing – is a site a good candidate to redevelop in the next 8 years?
- To answer this, we need details (as many as you can):

PROPERTY FEATURES

Low FAR	Date property last sold
Low I/L ratio	Vacancy rates
Building age/condition	Lease terms/timing

DEVELOPMENT INTEREST

Property owner interest in selling
Developer interest in buying
Examples and rates of turnover of nearby or similar properties

- Is the density enough to facilitate redevelopment? Are there other incentives?
- Underutilized sites can accommodate more than 50% lower income RHNA
...just need more details and substantiation



Mixed-use sites

- To calculate capacity, we need to know:

ZONING STANDARDS / INCENTIVES

Allow 100% residential projects
Minimum residential requirement
Minimum non-residential requirement
Incentives for housing (streamlining, reduced fees, etc.)

DEVELOPMENT INTEREST

Developer interest in building residential
Examples of mixed-use projects built or approved in the last planning period

- Avoid overestimating capacity, either by using a maximum density (unsupported by the market), or by assuming 100% residential on all mixed-use sites
- You can use sites that do not allow 100% residential projects or do not require a minimum amount of residential, but you need to show strong programs or other strategies to incentivize residential



Less than default density

- Default densities for SCAG counties to demonstrate zoning for lower income housing

LA, OC, RIV, SB: 30 du/ac

- ✓ 30-45 du/ac ≠ 20-25 du/ac
- ✓ 25-35 du/ac ≠ 20-30 du/ac
- ✓ 20-40 du/ac ≠ 0-40 du/ac

IMP, VEN: 20 du/ac

- ✓ 20-30 du/ac ≠ 10-15 du/ac
- ✓ 15-25 du/ac ≠ 10-20 du/ac
- ✓ 10-30 du/ac ≠ 0-30 du/ac

- Do not factor in density bonus increases or inclusionary provisions
- Do not allow single family housing in multifamily zoning
- If you want to rely on lower densities, we need to know:
 - Examples of projects (from past 5 years) with affordable housing at identified density
 - Affordability gap analysis showing viability of lower density due to lower land costs or other factors
 - Other information from developers on ideal densities for lower income housing



Previously identified sites (AB 1397)

Helpful Hints

- Denote parcels in land inventory list
- Rezone to allow developments by right when 20 percent or more of the units are affordable to lower income households
- Options to implement the 20% by-right requirement:
 - Create an overlay on those sites
 - Amend existing zoning
- Consider making multi-family housing by-right in multi-family zones



Small/large sites (AB 1397)

Helpful hints

- Include example of sites of equivalent size that were successfully developed
- Include developer interest, possibly survey developers
- Include a program to facilitate the development of the site
- Consider lot consolidation or lot split potential



Rezoning Program

Helpful Hints

- Rezone a minimum # of vacant acres to high density that allow by-right development for projects with a 20% affordable component
- Rezone must be completed within 3 years – by October 15, 2024
- The Sites identified must allow:
 - 50% of the shortfall – met on exclusively residential sites
 - A minimum of 20 units per acre and allow for 30 units per acre
 - Allow for 16 units per site
 - Permit owner and renter uses by right
- Sites will be available for development in the planning period – infrastructure

Common Pitfalls

- Potentially out of compliance in year 3 if rezone doesn't occur



Most Frequently Misunderstood

- Strategy mixing and matching
 - Vacant, Non-vacant, Mixed-Use, ADUs, Specific Plans
- AB 1397
 - Can still count small, large and previously identified sites
- Housing Element Deadlines
 - HE Planning Period October 15, 2021 – October 15, 2029
 - Housing Element Due Date: October 15, 2021
 - October 16th out of compliance
 - 120 days February 11th adoption to stay on 8-year cycle



Most Frequently Misunderstood

- Default densities
 - Not a requirement but a guide
 - Additional analysis required if not relying on default density
- HCD review process
 - HCD can potentially offer an informal pre-review of specific sections (land inventory) before the formal 60-day submittal
 - 60-day review process
 - Conference call with jurisdictions prior to 60 days to provide initial comments
 - Work with jurisdiction to try to address comments to receive a condition compliance letter by day 60
 - 90-days after adoption
- Housing Element Update and RHNA Timelines
 - Jurisdictions CAN start on update prior to final RHNA adoption

