



Council Agenda Report

To: Mayor La Monte and Honorable Members of the City Council

Prepared by: Jasch Janowicz, Contract Planner

Reviewed by: Bonnie Blue, Planning Director

Approved by: Reva Feldman, City Manager 

Date prepared: January 4, 2017 Meeting Date: January 23, 2017

Subject: Annual Progress Report to the California Department of Housing and Community Development Regarding the Implementation of the City's Housing Element

RECOMMENDED ACTION: Direct staff to submit the Annual Housing Element Progress Report to the California Department of Housing and Community Development.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

DISCUSSION: The Housing Element is one of the elements contained in the City's adopted General Plan. The Housing Element contains a variety of policies and programs for the implementation of housing programs to ensure the City's compliance with the State of California housing requirements and goals. Government Code Section 65400 requires each governing body to prepare an annual report on the status and progress in implementing the jurisdiction's housing element of the general plan using forms and definitions adopted by the Department of Housing and Community Development (HCD). The City has approved a Local Coastal Program Amendment, which will modify the City's Local Coastal Program to incorporate code amendments that will allow for multi-family development in compliance with the adopted 2013-2021 Housing Element. The City approved Local Coastal Program amendment is currently pending approval by the California Coastal Commission.

On February 12, 2014, HCD certified the City's Housing Element as meeting the requirements of state law for the planning period of 2013-2021. The attached annual report covers the 2015 and 2016 calendar years¹.

¹ The City's housing unit development statistics for the calendar year 2015 and calendar year 2016 have been consolidated into one annual report.

The report includes a summary of housing units built by income category (Tables A and A3), housing units rehabilitated, preserved or acquired (Table A2), and progress toward the Regional Housing Needs Assessment (Table B). Table C summarizes the City's progress in implementing the programs contained in Section 7.5 of the Housing Element.

ATTACHMENT: 2015 and 2016 Annual Housing Element Progress Report



Department of Housing and Community Development

2015 & 2016 Annual Housing Element Progress Report

prepared by

City of Malibu

Planning Department

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January 2017

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Acronyms and Abbreviations

AHO	Affordable Housing Overlay
ELI	Extremely Low Income
HCD	California Department of Housing and Community Development
OPR	Governor's Office of Planning and Research
RHNA	Regional Housing Needs Assessment
SCAG	Southern California Association of Governments

Department of Housing and Community Development Annual Housing Element Progress Report

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Reporting Periods: January 1, 2015 through December 31, 2015
January 1, 2016 through December 31, 2016

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1 Introduction

Purpose

This report summarizes the City of Malibu's (City's) progress toward meeting its regional housing needs assessment (RHNA) goals and other housing objectives during the 2015 and 2016 calendar years as described in the City's Housing Element. This report will be forwarded to the California Housing and Community Development (HCD) Department and the Governor's Office of Planning and Research (OPR), upon acceptance by the City Council.

Background

California Government Code § 65400 requires each governing body to prepare an annual report on the status and progress in the implementation of its Housing Element. The City of Malibu successfully submitted annual progress reports on the implementation of the Malibu Housing Element to the HCD for review and evaluation in prior years. The submittal of this information to HCD qualifies the City for important State housing, community development, transportation, and park funding opportunities.

California state law also requires that jurisdictions include the Housing Element as one of the mandatory elements of a General Plan (California Government Code §65302(c)). The Housing Element establishes policies and programs to mitigate identified constraints to housing within City's jurisdiction to facilitate housing opportunities to meet the needs of all economic segments within the community as determined through the RHNA process. The City Council adopted the 2013-2021 Housing Element on January 13, 2014, which was subsequently approved and certified by HCD on February 12, 2014.

The Southern California Association of Governments (SCAG) is responsible for coordinating with and allocating regional housing needs among each jurisdiction in the six-county Southern California region. SCAG prepared the 5th RHNA Cycle for Los Angeles County between 2010-2012, intended to cover the 8-year period from October 2013 through October 2021.

SCAG's latest RHNA analysis determined the City's fair share of the regional need for projection period between October 2013 through October 2021 is 2 units across all income categories. This is significantly lower than the previous RHNA allocation of 441 units for 2006-2014. Malibu's current allocation accounts for <1% of the total housing allocation for Los Angeles County. As stated in Table 1, Malibu is required to demonstrate that suitable sites are available to accommodate two new housing units based on SCAG's adopted RHNA allocation for the City's current planning period - one unit each in the Very-Low and Low categories. The City acknowledges that the RHNA establishes a planning target, not a development mandate. Housing development, and affordable housing in particular, is dependent on many factors beyond the City's control, therefore, California state law holds cities responsible for establishing land use plans and development regulations that enable a

variety of housing to be built based on the level of need identified in the RHNA. The City’s Affordable Housing Overlay zoning designation, adopted as part of the 2nd Housing Element update, provides sufficient sites to accommodate Malibu’s assigned share of regional need for the current planning period, and no additional zoning amendments are necessary.

Table 1. Housing Need by Income Category

Very-Low ¹	Low	Moderate	Above Moderate	Total
1 ²	1	0	0	2

Source: SCAG, 2012.

¹Income categories as of 2013 are based upon a percentage of the median county income for a family of four (equal to \$64,000) and are defined as follows:

Extremely Low = Max annual income of \$25,600 with \$640 affordable monthly rent.

Very-Low = Max annual income of \$42,700 with \$1,068 affordable monthly rent. Includes the extremely low income (ELI) category.

Low = Max annual income of \$68,300 with \$1,708 affordable monthly rent.

Moderate = Max annual income of \$77,750 with \$1,944 affordable monthly rent.

Above Moderate = Max annual income of +\$75,000 with +\$1,944 affordable monthly rent.

²This unit is assumed to be ELI pursuant to Government Code § 65583.a.1.

City of Malibu General Plan

The City of Malibu’s General Plan (General Plan) incorporates the City’s current Housing Element and establishes a comprehensive policy framework that supports Malibu’s residential strategies as identified and described in the Housing Element. A central component of the General Plan is the preservation of Malibu’s natural and cultural resources while maintaining the rural character of its neighborhood by avoiding suburbanization and commercialization of the City’s resources. The City’s development goals include the continued provision of passive, coastal-dependent and resource-dependent visitor-serving recreational opportunities.

City of Malibu 2013-2021 Housing Element

The City of Malibu 2013-2021 Housing Element reflects the City’s most recent demographics and employment trends that may affect existing and future housing demand and supply. The Housing Element identifies strategies and programs that focus on:

1. Providing diversity in housing opportunities; and
2. Maintenance and preservation of the City’s housing stock.

In carrying forth the provisions within the Housing Element Update, a new Chapter 17.41 *Affordable Housing* was adopted by the City Council and will be incorporated into the Malibu Municipal Code upon certification by the California Coastal Commission of the corollary LCP amendment.

The Affordable Housing code amendment also entailed the creation of an Affordable Housing Overlay (AHO) district. The AHO allows for the development of multi-family housing units at a density of 20 units per acre, and are assigned to the lower income category in the site inventory.

Housing Market Conditions

Section II (*Housing Needs Assessment*) of the Housing Element notes that the City's population has grown from 11,643 in 1991 to 12,965 in 2015 (Table 2). The City recognizes that while overall crowding in Malibu is substantially lower than in Los Angeles County as a whole (1.4% occupied units in Malibu compared to 23.6% occupied units in the County), prevalence of overcrowding is highest in renter-occupied households in the City. The relatively high cost of housing in Malibu is the primary cause of overcrowding, and the City has several programs in place to address housing affordability and alleviate overcrowding (further analyzed in Table C *Program Implementation Status*, in Attachments 1 and 2 for reporting years 2015 and 2016, respectively).

Table 2. Population Trends 1990-2015

Jurisdiction	1990 ¹	2012	2015 ²	Growth 1990-2012	Growth 2012-2015
Malibu	11,643	12,699	12,965	8.3%	2.0%
Los Angeles County	8,863,164	9,884,632	10,170,292	10.3%	2.8%

Source: U.S. Census (2016), *City of Malibu 2013-2021 Housing Element* (2014).

¹1990 and 2012 population data are from Table II-1, *City of Malibu 2013-2021 Housing Element* (Source: U.S. Census, California Dept. of Finance Table E-5 (2012)).

²2015 population data are from <http://www.census.gov/quickfacts/>.

The City's population is classified as affluent with a median household income of \$130,432, which is significantly higher than that of Los Angeles County (\$55,870) and California as a whole (\$61,489) according to recent Census data¹. Despite the City's high median household income, 46% of all renter households and 42% of all owner households incur housing costs in exceedance of 30% of gross household income, according to a survey conducted by SCAG. The primary cause of overpayment for lower-income households is due to the relatively high cost of housing in the City.

Extremely low income (ELI) households have annual median incomes of \$25,600 or less for a four-person household. Under this definition, there are approximately 340 ELI households within the City (6.3% of the total households). Affordable housing can be impossible to find for ELI and low-income households with affordable rents of \$640 and \$1,700 per month, compared to the City's market rate rents ranging from \$3,675 to over \$5,000 per month.

Based on the City's site inventory summary (Table 3), there are sufficient vacant or underutilized sites with appropriate zoning to accommodate all of the City's housing needs for the current planning period. Furthermore, the two RHNA housing unit allocations for the City can be met by sites classified within the lower income site inventory category for multi-family units and second units.

¹ Most recent Census data from [<http://www.census.gov/quickfacts/>].

Table 3. Sites Inventory Summary

Housing Sites	Income Category		
	Lower	Moderate	Above
Potential new single-family units ¹	-	-	870
Potential new multi-family units	178	30	-
Potential new second units	15	-	6
Total Inventory	193	30	876
RHNA 2013-2021	2	-	-
Adequate Capacity?	Yes	Yes	Yes

Source: City of Malibu, 2013.

¹*Parcel listing on file with City Planning Department*

2 Housing Element Implementation Summary

Summary of Tables A, A2, and A3 (Annual Building Activity Report Summary)

Affordable housing units are deemed affordable to Extremely Low-, Very Low-, Low-, and Moderate-Income households. None of the building permits issued for reporting years 2015 and 2016 were for affordable housing units. The City issued a total of 16 permits in 2015 and 3 permits in 2016 for housing (Table 4), all of which were for above moderate-income units. Most of the developments were for single family residences, which are the predominant housing type in Malibu. A permit was issued for one 8-unit multi-family housing project in 2015 and one second-unit residence in 2016. Attachment 1 contains Tables A, A2, and A3 for reporting year 2015 and Attachment 2 contains the same tables for reporting year 2016.

Table 4. City of Malibu – Housing Permits Issued

Year	Single Family	Multi-Family	Second Unit	Total
2015	8	8	0	16
2016	2	0	1	3

Summary of Table B (Regional Housing Needs Allocation Progress)

During calendar years 2015 and 2016, the City issued a total of 19 building permits for market-rate units. The total number of housing units constructed within City’s jurisdiction for affordable housing exceed the City’s RHNA allocation, however, the units constructed were not designated for very low or low income families and therefore, the City has not yet met its allocation goal. Attachment 1 contains Table B for reporting year 2015 and Attachment 2 contains the same table for reporting year 2016.

Summary of Table C (Program Implementation Status)

Table C provides a complete list and status update report on the City’s affordable housing programs. Furthermore, Malibu continues to adopt process improvements to streamline affordable housing production in recognition of the community’s needs. Attachment 1 contains Table B for reporting year 2015 and Attachment 2 contains the same table for reporting year 2016.

3 Bibliography

- City of Malibu. (1995, November). *City of Malibu General Plan*. Retrieved from MalibuCity.Org: Planning Process Overview: <http://qcode.us/codes/malibu-general-plan/misc/malibu-general-plan.pdf>
- City of Malibu. (2013, October). *City of Malibu 2013-2021 Housing Element (Draft)*. Retrieved from MalibuCity.org: Housing Element Update: <http://www.malibu-ca.gov/DocumentCenter/View/5291>
- City of Malibu. (2014). Council Agenda report. *Fifth Cycle (2013-2021) General Plan Housing Element Update*, (pp. 1-2). Malibu.
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- Southern California Association of Governments (SCAG). (2012, August). *SCAG.CA.gov: RHNA & Housing*. Retrieved from SCAG.CA.gov: <http://www.scag.ca.gov/Documents/5thCyclePFinalRHNAplan.pdf>

Attachment 1

2015 Annual Housing Element Progress Report Tables

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Malibu
 Reporting Period 1/1/2015 - 12/31/2015

Table A

Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information						Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions			
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			See Instructions	See Instructions	
(9) Total of Moderate and Above Moderate from Table A3 ▶▶			0	16							
(10) Total by income Table A/A3 ▶▶						16					
(11) Total Extremely Low-Income Units*											

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Malibu
Reporting Period 1/1/2015 - 12/31/2015

Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate						0	0
No. of Units Permitted for Above Moderate	8		8			16	0

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Malibu
 Reporting Period 1/1/2015 - 12/31/2015

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2014	2015	2016								Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed Restricted	1	0	0									1
	Non-deed restricted		0	0									
Low	Deed Restricted	1	0	0									1
	Non-deed restricted		0	0									
Moderate	Deed Restricted	0	0	0									0
	Non-deed restricted		0	0									
Above Moderate			13	16								29	2
Total RHNA by COG. Enter allocation number:		2											
Total Units ▶ ▶ ▶			13	16								29	2
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Malibu
Reporting Period 1/1/2015 - 12/31/2015

General Comments:

**Table C
2015 Annual Housing Element Program Evaluation**

Program	Objective	Timeframe	Implementation Status
<p>Program 1.1 – Code Enforcement Ensure compliance with the City's codes and regulations. Particularly, in the case of code violations in units that are occupied by lower-income persons or persons with special needs, direct property owners and renters to programs that are available to provide assistance. Offer amnesty and legalization for existing housing units where:</p> <ol style="list-style-type: none"> 1) The unit is "livable" and meets basic health and safety requirements 2) The unit existed at the time of the City's incorporation; and 3) The unit is restricted for owner-occupancy or rental by low- or moderate-income persons at an affordable rate. 	Reduce code violations and health & safety issues in existing housing	Throughout the planning period	Ongoing To date, only one application has been filed (30081 Harvester Road).
<p>Program 1.2 – Rebuilding Assistance Expedite permit processing and provide special assistance to homeowners seeking to repair or rebuild homes that have been lost or damaged in a fire, flood or other disaster, especially units that accommodate low- and moderate-income households, elderly, disabled, large families, single heads of households, farm workers, individuals in need of emergency shelter, and other individuals or household types with special needs, unless those units are located in areas that are physically unsuitable for development.</p>	Facilitate rebuilding of lost or damaged homes	Throughout the planning period	Ongoing – no homes were lost or damaged due to natural disaster during the 2015 reporting period. The City has policies in place for the quick review of structures damaged by Natural Disasters. During the 2008-2013 Planning Period, the Planning Department approved 23 applications to repair or replace residential structures destroyed by a disaster.
<p>Program 1.3 – Housing Rehabilitation Assistance Provide incentives to rehabilitate existing housing units, such as permit fee waivers for units that are deed-restricted for low- and moderate-income families.</p>	4 units	Throughout the planning period	Opportunities for this are reviewed on a case by case basis. No requests were made during the 2015 reporting period.
<p>Program 1.4 – Preserve Existing Mobile Home Parks Maintain the Mobile Home Park Rent Control Regulations Ordinance that regulates maximum allowable rents and limits rent increases. Pursuant to the provisions of <i>Government Code</i> §65863.7, require the submittal of a report detailing the impacts of any proposed mobile home park conversion to a nonresidential use concurrent with the filing of any discretionary permit on such property and impose reasonable mitigation measures upon the park owners.</p>	No net loss of mobile home units	Throughout the planning period	Ongoing – no mobile home parks were proposed for conversion.
<p>Program 1.5 – Conserve Affordable Housing in the Coastal Zone In accordance with <i>Government Code</i> §65590, continue to require the replacement of low- or moderate-income units that have been removed from the coastal zone (either by demolition or conversion), whenever feasible.</p>	LCP and MMC amendment	Throughout the planning period	Ongoing – no low- or moderate-income units were demolished or converted. LCP and MMC amendments were adopted in August 2013. Implementation of these regulations is in progress and are pending CCC certification.
<p>Program 2.1 – Regional Housing Needs Identification</p>	Encourage fair and	Throughout the planning	City staff continued to monitor SCAG

Program	Objective	Timeframe	Implementation Status
<p>Work with the Southern California Association of Governments (SCAG) and the Las Virgenes-Malibu Subregional Council of Governments (COG) to encourage an appropriate fair share allocation of future regional housing needs based on population need, existing supply/demand, ability to accommodate growth given the physical/environmental constraints and the jobs-to-housing ratio.</p>	<p>realistic RHNA allocations</p>	<p>period</p>	<p>programs related to housing needs.</p>
<p>Program 2.2 – Ensure Adequate Capacity to Accommodate Regional Housing Needs The City’s residential land inventory provides adequate capacity to accommodate the City’s housing needs as identified in the 2013-2021 RHNA (see Appendix B). The City will pursue a two-part strategy to provide sites for lower-income housing: 1) Opportunities and incentives for second units; and 2) Zoning regulations to facilitate affordable multi-family or mixed-use development in suitable locations.</p> <p>A. Expand the Supply of Second Units Second units represent an important source of affordable housing in Malibu (see Appendix B for further discussion of second unit production). Due to extraordinarily high land cost and environmental constraints, development of new affordable housing is very difficult. Since second units can be accommodated on developed sites at no additional land cost, they represent an excellent option for addressing the needs of seniors, university students, household employees, local service workers, and extended family members. In order to maximize the availability of additional second units, the City will implement the following actions:</p> <ol style="list-style-type: none"> Promote the Development of Second Units - Develop a brochure to provide information on the City’s second unit standards and incentives to promote their development. The brochure will be distributed at City Hall, posted on the website, and provided to all applicants for new residential development. Amnesty Program for Second Units - Continue to implement the Second Unit Amnesty Program for legalized second units that meet all health and safety requirements. The amnesty program may include the waiver of City fees and penalties and will allow the legal registration of both second units and converted guest houses. Financial Assistance for Second Units - Contact local service providers, including the Water District and School District, to pursue reduced development impact fees on second units dedicated for occupancy by lower-income households. Evaluate mechanisms to subsidize impact fees using local, state, and nonprofit sources, including the City’s Affordable Housing Trust Fund. Pre-Approved Second Unit Prototypes - Make available pre-approved second unit prototype plans to assist applicants and streamline the approval process. 	<p>21 second units during 2014-2021</p>	<p>Throughout the planning period</p>	<p>The City encouraged the development of second residential units over guest houses or studios. No requests were made to legalize previously developed second units during this year. Staff is currently reviewing and implementing steps to streamline the process for development review.</p>
<p>B. Facilitate New Affordable Housing Development In order to accommodate lower-income housing, the MMC and LCP regulations were amended in the previous planning period to establish an Affordable Housing Overlay allowing multi-family or mixed-use development by-right at a density of 20 units/acre for projects that include affordable housing. In order to qualify for the increased density incentive, all “bonus” units (i.e., additional units allowed above the base density of 6 units per acre) must be deed-restricted for low- and moderate-income households for a minimum of 30 years at a ratio of 50% low- and 50%</p>	<p>Provide suitable sites with appropriate zoning that could accommodate lower- income housing</p>	<p>Throughout the planning period</p>	<p>The City was working with the California Coastal Commission to approve the required code amendments.</p>

Program	Objective	Timeframe	Implementation Status
<p>moderate-income. As an alternative, very-low-income units may offset the requirement for moderate-income units on a one-for-one basis. Any developer utilizing these incentives shall be required to screen tenants or buyers for compliance with income limits and establish a monitoring system to ensure the unit's continued affordability. This program creates a strong incentive for affordable housing development because of the additional units allowed at 20 units per acre compared to the base density of 6 units per acre. The allowable density of 20 units per acre does not include the state-mandated density bonus, and it is anticipated that all projects utilizing this option will also qualify for a density bonus of up to 35%.</p> <p>This program does not represent an "inclusionary" requirement because property owners who do not wish to take advantage of the density incentive would be allowed to develop market-rate housing at the allowable base density of 6 units/acre.</p> <p>Incentives and concessions for ELI¹ units will include a variety of housing types such as SRO²s and supportive housing. Incentives may include priority processing, density bonus, modified development standards, administrative support with funding applications, and/or fee waivers or deferrals.</p> <p>In order to facilitate development of affordable housing, including housing for persons with developmental disabilities and other special needs, the City will contact non-profit developers annually to implement a strategy for developing housing, including site identification, priority processing, density bonus and modified development standards, administrative support with funding applications, and fee waivers or deferrals if feasible. The City has already had conversations with nonprofit developers regarding affordable housing opportunities on the La Paz site.</p>			
<p>Program 2.3 – Streamline Development Review and Assist Affordable Housing Developments</p> <p>Streamline the development review and permit process for all residential development by providing a series of informational handouts describing how to apply for housing development and summarizing the basic development criteria for different zones. When developers propose to include affordable units in a project, provide assistance through expedited processing, density bonus and other modified development standards, and administrative assistance with grant applications.</p>	<p>Minimize residential permit processing time and assist affordable housing developments</p>	<p>Throughout the planning period</p>	<p>Ongoing – Staff has created various pamphlets as well as forms to help guide applicants through the permitting process. No applications have been submitted for affordable housing projects.</p>

¹ ELI: Extremely Low Income

² SRO: Single Room Occupancy

Program	Objective	Timeframe	Implementation Status
<p>Program 3.1 – Fair Housing</p> <p>Support fair housing efforts by contracting with the Los Angeles County Housing Authority, Westside Fair Housing Council, or other appropriate organization, to create a program that provides fair housing services, including investigation of discrimination complaints, research on housing discrimination-related issues, public information about the rights and responsibilities of landowners and tenants, and landlord/tenant dispute resolution. Promote the program each year through the use of pamphlets, public bulletin boards on community television; educational flyers distributed to property owners, apartment managers and tenants; public service announcements on local radio stations and in local print media; and presentations at community groups.</p>	<p>Provide and publicize fair housing services through contracting with a public or non-profit service provider</p>	<p>Annual appropriation and semi-annual publications and announcements</p>	<p>Ongoing – Staff worked with the Los Angeles County Housing Authority, however, no questions or requests have been made regarding affordable fair housing.</p>
<p>Program 3.2 – Provide Financial Support and Referral Information to Persons in Need of Assistance</p> <p>Malibu is a small jurisdiction without a redevelopment agency or housing department and is not an entitlement jurisdiction for federal grants. Therefore, the City does not have significant resources for direct financial housing assistance, other than a small Affordable Housing Trust Fund and Community Development Block Grant (CDBG) funds. The City will provide referral information to extremely-low-, very-low-, low-, and moderate-income persons and families, the elderly, and persons with disabilities regarding affordable and special needs housing, such as Section 8 Rental Assistance and the Mortgage Credit Certificate program. In addition, it will continue to seek CDBG and HOME funds.</p> <p>a. Affordable Housing Trust Fund. Maintain an Affordable Housing Trust Fund and use the proceeds to leverage other sources of funding for affordable housing.</p> <p>b. State and Federal Grants. Where feasible, seek state and federal grant funds, such as CDBG and HOME, in order to provide support for affordable housing activities.</p> <p>c. Section 8 Rental Assistance. Provide referral information to low-income persons seeking rental assistance by publicizing the program in flyers posted at City Hall, the City's website and other public locations.</p> <p>d. Mortgage Credit Certificates. Provide referral information regarding the mortgage credit certificate program to homebuyers by publicizing the program in flyers posted at City Hall, the City website and other public locations.</p>	<p>Disseminate housing assistance information; provide direct funding in support of affordable housing when feasible</p>	<p>The City's Housing Coordinator has responsibility for monitoring all activities related to Housing Element implementation, including preparation of annual progress reports, annual monitoring of sources of financial assistance such as Section 8, state/federal grants, and mortgage credit certificates. The Housing Coordinator shall also be responsible for disseminating information to the community regarding this activities and resources. Depending on program availability and City eligibility, apply for state/federal funds on a bi-annual basis to assist affordable housing development.</p>	<p>The City continued to seek CDBG and HOME funds. These funds, when received, will be utilized within the community to facilitate public service projects benefitting low and moderate income families.</p>
<p>Program 4.1 – Monitor and Report Annually on Housing Program Accomplishments</p> <p>The City will monitor accomplishments toward Housing Element objectives and report annually to the City Council and California Department of Housing and Community Development. If implementation measures are ineffective in achieving desired results, adjustments will be made to improve the efficacy of programs.</p>	<p>Monitor progress and make mid-course corrections if necessary to achieve desired results</p>	<p>Annual progress reports</p>	<p>The City continued to monitor Housing Element programs and report progress annually.</p>

Attachment 2

2016 Annual Housing Element Progress Report Tables

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Malibu
Reporting Period 1/1/2016 - 12/31/2016

Table A

Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information						Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions			
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			See Instructions	See Instructions	
(9) Total of Moderate and Above Moderate from Table A3 ▶▶					0	3					
(10) Total by income Table A/A3 ▶▶						3	0				
(11) Total Extremely Low-Income Units*											

* Note: These fields are voluntary

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(CCR Title 25 §6202)

Jurisdiction City of Malibu
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Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate						0	0
No. of Units Permitted for Above Moderate	2			1		3	0

* Note: This field is voluntary

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Table B

Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2014	2015	2016								Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed Restricted	1	0	0	0							32	2
	Non-deed restricted		0	0	0								
Low	Deed Restricted	1	0	0	0							32	2
	Non-deed restricted		0	0	0								
Moderate	Deed Restricted	0	0	0	0							32	2
	Non-deed restricted		0	0	0								
Above Moderate			13	16	3							32	2
Total RHNA by COG. Enter allocation number:		2	13	16	3							32	2
Total Units ▶ ▶ ▶													
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

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General Comments:

**Table C
2016 Annual Housing Element Program Evaluation**

Program	Objective	Timeframe	Implementation Status
<p>Program 1.1 – Code Enforcement Ensure compliance with the City's codes and regulations. Particularly, in the case of code violations in units that are occupied by lower-income persons or persons with special needs, direct property owners and renters to programs that are available to provide assistance. Offer amnesty and legalization for existing housing units where:</p> <ol style="list-style-type: none"> 1) The unit is "livable" and meets basic health and safety requirements 2) The unit existed at the time of the City's incorporation; and 3) The unit is restricted for owner-occupancy or rental by low- or moderate-income persons at an affordable rate. 	Reduce code violations and health & safety issues in existing housing	Throughout the planning period	Ongoing
<p>Program 1.2 – Rebuilding Assistance Expedite permit processing and provide special assistance to homeowners seeking to repair or rebuild homes that have been lost or damaged in a fire, flood or other disaster, especially units that accommodate low- and moderate-income households, elderly, disabled, large families, single heads of households, farm workers, individuals in need of emergency shelter, and other individuals or household types with special needs, unless those units are located in areas that are physically unsuitable for development.</p>	Facilitate rebuilding of lost or damaged homes	Throughout the planning period	Ongoing – no homes were lost or damaged due to natural disaster during the 2016 reporting period.
<p>Program 1.3 – Housing Rehabilitation Assistance Provide incentives to rehabilitate existing housing units, such as permit fee waivers for units that are deed-restricted for low- and moderate-income families.</p>	4 units	Throughout the planning period	Opportunities for this are reviewed on a case by case basis. No requests were made during the 2016 reporting period.
<p>Program 1.4 – Preserve Existing Mobile Home Parks Maintain the Mobile Home Park Rent Control Regulations Ordinance that regulates maximum allowable rents and limits rent increases. Pursuant to the provisions of <i>Government Code</i> §65863.7, require the submittal of a report detailing the impacts of any proposed mobile home park conversion to a nonresidential use concurrent with the filing of any discretionary permit on such property and impose reasonable mitigation measures upon the park owners.</p>	No net loss of mobile home units	Throughout the planning period	Ongoing – no mobile home parks were proposed for conversion.
<p>Program 1.5 – Conserve Affordable Housing in the Coastal Zone In accordance with <i>Government Code</i> §65590, continue to require the replacement of low- or moderate-income units that have been removed from the coastal zone (either by demolition or conversion), whenever feasible.</p>	LCP and MMC amendment	Throughout the planning period	Ongoing – no low- or moderate-income units were demolished or converted. Implementation of LCP and MMC amendments adopted in August 2013 and are pending CCC certification.
<p>Program 2.1 – Regional Housing Needs Identification Work with the Southern California Association of Governments (SCAG) and the Las Virgenes-Malibu Subregional Council of Governments (COG) to encourage an appropriate fair share allocation of future regional housing needs based on population need, existing supply/demand, ability to accommodate growth given the physical/environmental constraints and the jobs-to-housing ratio.</p>	Encourage fair and realistic RHNA allocations	Throughout the planning period	City staff continued to monitor SCAG programs related to housing needs.

Program	Objective	Timeframe	Implementation Status
<p>Program 2.2 – Ensure Adequate Capacity to Accommodate Regional Housing Needs</p> <p>The City's residential land inventory provides adequate capacity to accommodate the City's housing needs as identified in the 2013-2021 RHNA (see Appendix B). The City will pursue a two-part strategy to provide sites for lower-income housing: 1) Opportunities and incentives for second units; and 2) Zoning regulations to facilitate affordable multi-family or mixed-use development in suitable locations.</p> <p>A. Expand the Supply of Second Units</p> <p>Second units represent an important source of affordable housing in Malibu (see Appendix B for further discussion of second unit production). Due to extraordinarily high land cost and environmental constraints, development of new affordable housing is very difficult. Since second units can be accommodated on developed sites at no additional land cost, they represent an excellent option for addressing the needs of seniors, university students, household employees, local service workers, and extended family members. In order to maximize the availability of additional second units, the City will implement the following actions:</p> <ol style="list-style-type: none"> Promote the Development of Second Units - Develop a brochure to provide information on the City's second unit standards and incentives to promote their development. The brochure will be distributed at City Hall, posted on the website, and provided to all applicants for new residential development. Amnesty Program for Second Units - Continue to implement the Second Unit Amnesty Program for legalized second units that meet all health and safety requirements. The amnesty program may include the waiver of City fees and penalties and will allow the legal registration of both second units and converted guest houses. Financial Assistance for Second Units - Contact local service providers, including the Water District and School District, to pursue reduced development impact fees on second units dedicated for occupancy by lower-income households. Evaluate mechanisms to subsidize impact fees using local, state, and nonprofit sources, including the City's Affordable Housing Trust Fund. Pre-Approved Second Unit Prototypes - Make available pre-approved second unit prototype plans to assist applicants and streamline the approval process. 	<p>21 second units during 2014-2021</p>	<p>Throughout the planning period</p>	<p>The City encouraged the development of second residential units over guest houses or studios.</p> <p>No requests were made to legalize previously developed second units during this year.</p> <p>Staff did, however, issue one permit for one new market-rate second unit (30608 Morning View).</p> <p>Staff is reviewing and implementing steps to streamline the process for development review.</p>
<p>B. Facilitate New Affordable Housing Development</p> <p>In order to accommodate lower-income housing, the MMC and LCP regulations were amended in the previous planning period to establish an Affordable Housing Overlay allowing multi-family or mixed-use development by-right at a density of 20 units/acre for projects that include affordable housing. In order to qualify for the increased density incentive, all "bonus" units (i.e., additional units allowed above the base density of 6 units per acre) must be deed-restricted for low- and moderate-income households for a minimum of 30 years at a ratio of 50% low- and 50% moderate-income. As an alternative, very-low-income units may offset the requirement for moderate-income units on a one-for-one basis. Any developer utilizing these incentives shall be required to screen tenants or buyers for compliance with income limits and establish a monitoring system to ensure the unit's continued affordability. This program creates a strong incentive for affordable housing development because of the additional units allowed at 20 units per acre</p>	<p>Provide suitable sites with appropriate zoning that could accommodate lower-income housing</p>	<p>Throughout the planning period</p>	<p>Ongoing - The City is still working with the California Coastal Commission to approve the required code amendments.</p>

Program	Objective	Timeframe	Implementation Status
<p>compared to the base density of 6 units per acre. The allowable density of 20 units per acre does not include the state-mandated density bonus, and it is anticipated that all projects utilizing this option will also qualify for a density bonus of up to 35%.</p> <p>This program does not represent an "inclusionary" requirement because property owners who do not wish to take advantage of the density incentive would be allowed to develop market-rate housing at the allowable base density of 6 units/acre.</p> <p>Incentives and concessions for ELI¹ units will include a variety of housing types such as SRO²s and supportive housing. Incentives may include priority processing, density bonus, modified development standards, administrative support with funding applications, and/or fee waivers or deferrals.</p> <p>In order to facilitate development of affordable housing, including housing for persons with developmental disabilities and other special needs, the City will contact non-profit developers annually to implement a strategy for developing housing, including site identification, priority processing, density bonus and modified development standards, administrative support with funding applications, and fee waivers or deferrals if feasible. The City has already had conversations with nonprofit developers regarding affordable housing opportunities on the La Paz site.</p>			
<p>Program 2.3 – Streamline Development Review and Assist Affordable Housing Developments</p> <p>Streamline the development review and permit process for all residential development by providing a series of informational handouts describing how to apply for housing development and summarizing the basic development criteria for different zones. When developers propose to include affordable units in a project, provide assistance through expedited processing, density bonus and other modified development standards, and administrative assistance with grant applications.</p>	<p>Minimize residential permit processing time and assist affordable housing developments</p>	<p>Throughout the planning period</p>	<p>Ongoing – Staff has created various pamphlets as well as forms to help guide applicants through the permitting process. No applications have been submitted for affordable housing projects.</p>
<p>Program 3.1 – Fair Housing</p> <p>Support fair housing efforts by contracting with the Los Angeles County Housing Authority, Westside Fair Housing Council, or other appropriate organization, to create a program that provides fair housing services, including investigation of discrimination complaints, research on housing discrimination-related issues, public information about the rights and responsibilities of landowners and tenants, and landlord/tenant dispute resolution. Promote the program each year through the use of pamphlets, public bulletin boards on community television; educational flyers distributed to property owners, apartment managers and tenants; public service announcements on local radio stations and in local print media; and presentations at community groups.</p>	<p>Provide and publicize fair housing services through contracting with a public or non-profit service provider</p>	<p>Annual appropriation and semi-annual publications and announcements</p>	<p>Ongoing – Staff worked with the Los Angeles County Housing Authority, however, no questions or requests have been made regarding affordable fair housing.</p>
<p>Program 3.2 – Provide Financial Support and Referral Information to Persons in Need of Assistance</p> <p>Malibu is a small jurisdiction without a redevelopment agency or housing department and is not</p>	<p>Disseminate housing assistance information; provide direct funding in support of affordable</p>	<p>The City's Housing Coordinator has responsibility for monitoring all activities</p>	<p>The City expects to receive \$46,237 of CDBG funding in fiscal year 2016-2017. These funds will be utilized within the community to facilitate public service</p>

¹ ELI: Extremely Low Income

² SRO: Single Room Occupancy

Program	Objective	Timeframe	Implementation Status
<p>an entitlement jurisdiction for federal grants. Therefore, the City does not have any resources for direct financial housing assistance, other than a small Affordable Housing Trust Fund and Community Development Block Grant (CDBG) funds. The City will provide referral information to extremely-low-, very-low-, low-, and moderate-income persons and families, the elderly, and persons with disabilities regarding affordable and special needs housing, such as Section 8 Rental Assistance and the Mortgage Credit Certificate program. In addition, it will continue to seek CDBG and HOME funds.</p> <p>a. Affordable Housing Trust Fund. Maintain an Affordable Housing Trust Fund and use the proceeds to leverage other sources of funding for affordable housing.</p> <p>b. State and Federal Grants. Where feasible, seek state and federal grant funds, such as CDBG and HOME, in order to provide support for affordable housing activities.</p> <p>c. Section 8 Rental Assistance. Provide referral information to low-income persons seeking rental assistance by publicizing the program in flyers posted at City Hall, the City's website and other public locations.</p> <p>d. Mortgage Credit Certificates. Provide referral information regarding the mortgage credit certificate program to homebuyers by publicizing the program in flyers posted at City Hall, the City website and other public locations.</p>	housing when feasible	related to Housing Element implementation, including preparation of annual progress reports, annual monitoring of sources of financial assistance such as Section 8, state/federal grants, and mortgage credit certificates. The Housing Coordinator shall also be responsible for disseminating information to the community regarding this activities and resources. Depending on program availability and City eligibility, apply for state/federal funds on a bi-annual basis to assist affordable housing development.	projects benefitting low and moderate income families. For example, the City allocated \$6,935 to the Malibu Community Day Labor Exchange Program.
<p>Program 4.1 – Monitor and Report Annually on Housing Program Accomplishments</p> <p>The City will monitor accomplishments toward Housing Element objectives and report annually to the City Council and California Department of Housing and Community Development. If implementation measures are ineffective in achieving desired results, adjustments will be made to improve the efficacy of programs.</p>	Monitor progress and make mid-course corrections if necessary to achieve desired results	Annual progress reports	The City continued to monitor Housing Element programs and report progress annually.