CITY OF CERRITOS

CIVIC CENTER • 18125 BLOOMFIELD AVENUE
P.O. BOX 3130 • CERRITOS, CALIFORNIA 90703-3130
PHONE: (562) 860-0311 • FAX: (562) 916-1371
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DIV. OF HOUSING
POLICY DEVELOPMENT HCD

October 14, 2005

Ms. Cathy E. Creswell, Deputy Director
Department of Housing and Community Development
Division of Housing Policy Development
1800 Third Street, Suite 430
Sacramento, California 95814

SUBJECT: **CITY OF CERRITOS 2004/2005 HOUSING ELEMENT ANNUAL REPORT**

Dear Ms. Creswell:

Pursuant to requirements of Government Code Section 65400, the City of Cerritos is submitting a report updating the implementation of the City's Housing Element goals.

Should you have any questions, please contact Metré Anthony, Redevelopment Development/Economic Development Administrator, at (562) 916-1208.

Sincerely,

Torrey N. Contreras
Director of Community Development

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Enclosure

cc: Office of Planning and Research w/enclosure
Robert A. Lopez, Advance Planning/Redevelopment Manager

JOHN F. CRAWLEY, MAYOR | PAUL W. BOWLEN, MAYOR PRO TEM | JIM EDWARDS, COUNCILMEMBER | GLORIA A. KAPPE, COUNCILMEMBER | LAURA LEE, COUNCILMEMBER

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CITY OF CERRITOS
REDEVELOPMENT AGENCY

CIVIC CENTER • 18125 BLOOMFIELD AVENUE
P.O. BOX 3130 • CERRITOS, CALIFORNIA 90703-3130
PHONE: (562) 860-0311 • FAX: (562) 916-1371 • (562) 916-1372 • (562) 916-1373
WWW.CI.CERRITOS.CA.US

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
Chair and Members of the Redevelopment Agency

FROM: Art Gallucci, City Manager/Executive Director

INITIATED BY: Torrey N. Contreras, Director of Community Development
Robert A. Lopez, Advance Planning/Redevelopment Manager
Metré Anthony, Redevelopment/Economic Development Administrator
Eduardo Vega, Planning Assistant

DATE: October 13, 2005

SUBJECT: **CONSIDERATION OF AN ANNUAL UPDATE ON THE IMPLEMENTATION OF THE CERTIFIED HOUSING ELEMENT OF THE CITY OF CERRITOS AS REQUIRED BY SECTION 65400(B) OF THE CALIFORNIA GOVERNMENT CODE.**

BACKGROUND

State planning law requires the City to prepare an annual status report on the General Plan. Government Code Section 65400(b) of the Planning, Zoning and Development Law specifically requires an update on implementation of the Housing Element. The statute states:

- Provide an annual report to the legislative body, the Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD) on the status of the plan and progress in its implementation, including the progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583.

- The housing portion of the annual report required to be provided to OPR and HCD pursuant to this subdivision shall be prepared through the use of forms and definitions adopted by HCD pursuant to the Administrative Procedure Act [Chapter 3.5 (commencing with Section 11340) of, Chapter 4 (commencing with Section 11370) of, and Chapter 5 (commencing with Section 11500), of Part 1 of Division 3 of Title 2]. This report shall be provided to the legislative body, OPR and HCD.

The City of Cerritos adopted its Housing Element on June 11, 2002, and HCD issued its finding of compliance with State Housing Element Law to the City of Cerritos for the first time in the City's 48-year history. This report provides a status on the progress of the City in implementing the Certified Housing Element. This includes progress in meeting its share

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of the regional housing needs determined pursuant to Government Code 65584, and its efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to Government Code Section 65583.

GOALS AND POLICIES

The goals and policies of the Certified Housing Element are intended to provide direction for the City's housing programs or actions. These goals and policies and subsequent programs or actions are formulated to address the existing and future housing needs of all segments of the community according to state, regional and county frameworks in conjunction with the City's housing needs, resources and constraints. The 1998-2005 Certified Housing Element contains a comprehensive set of goals and policies organized according to the following major categories:

- Encourage the provision of a wide range of housing types
- Minimize constraints on housing development
- Preserve and enhance the quality of the existing housing stock
- Provide opportunities for home ownership

QUANTIFIED OBJECTIVES: 1998-2005

Based on the objectives provided in the Certified Housing Element, the City intended to construct, rehabilitate or preserve approximately 505 units between 1998 and 2005. Eighty-eight (88) percent of the total production was to be through new construction, while the remainder was to be through rehabilitation.

The quantified objectives for the 1998-2005 program period by income group as stated in the Certified Housing Element are identified below:

Income Group	New Construction	Rehabilitation	Preservation	Total
Very-Low	130	30	0	160
Low	130	30	0	160
Moderate	74	0	0	74
Above-Moderate	111	0	0	111
TOTAL	**445**	**60**	**0**	**505**

ALLOCATION OF REGIONAL HOUSING NEED 1998-2005

The City of Cerritos incorporated its share of the regional housing needs allocation in its Certified Housing Element. This allocation was determined by the Southern California Association of Governments (SCAG) as required by Government Code Section 65584(a). The regional share figures were contained in the Regional Housing Needs Assessment (RHNA). SCAG developed the RHNA, which covers the period from January 1, 1998, through June 30, 2005. SCAG allocated to the City of Cerritos 340 housing units as the City's fair share of the Southern California regional housing need. The following table shows the number of housing units allocated to Cerritos by four income groups – very low, low, moderate and above moderate. The table has been updated to reflect construction in each category through June 30, 2005, of the reporting period. Through new construction between 1998 and 2001, the City of Cerritos met its 1998-2005 allocation of very low and low housing need.

	Very-Low	Low	Moderate	Above-Moderate	Total
RHNA Construction Need	**54**	**41**	**71**	**174**	**340**
Emerald Villas	48	48	30	0	126
Pioneer Villas	36	45	12	5	98
Avalon at Cerritos	46	37	22	42	147
Cerritos Total	**130**	**130**	**64**	**47**	**371**

HOUSING REHABILITATION PROGRAM

In 1997, the City approved the Property Preservation Commission's recommendation to implement an owner-occupied housing rehabilitation grant program (RAP) to aid low-income seniors and persons with disabilities. The general purpose of RAP aims towards improving the aesthetic appearance of homes and preventing housing deterioration or blight within residential neighborhoods. Funding for RAP is provided by the Cerritos Redevelopment Agency's Low and Moderate Income Housing Set-Aside Fund.

The RAP has been very successful in eliminating blight and preventing housing deterioration in Cerritos neighborhoods, particularly when the program has been used in conjunction with Code Enforcement efforts. Since its inception in 1998, RAP has awarded a total of 64 grants, in the total amount of $98,913. For the fiscal year 2002-03, RAP grant limit was increased from $300 to $2,500 per grant and the total annual program budget was increased from $5,000 to $37,500. According to the popularity of the RAP program, the City Council/Redevelopment Agency again voted to expand the program by increasing the maximum grant limit from $2,500 to $3,000 per grant and the total annual program budget from $37,500 to $75,000 in FY 2004-05. In FY 2004-05, 18 grants were awarded and $36,635.00 in total funds were disbursed. The following table provides a breakdown of key statistics by fiscal year:

Residential Assistance Program (RAP)
FISCAL YEAR 1998 – 2005

Fiscal Year (FY)	Number of Grants Awarded	Total Funds Disbursed
1998-1999	2	$600.00
1999-2000	3	$900.00
2000-2001	4	$1,500.00
2001-2002	7	$2,400.00
2002-2003	11	$20,924.51
2003-2004	19	$35,953.00
2004-2005	18	$36,635.00
TOTALS	**64**	**$98,912.51**

** As of September 30, 2005*

In 2004, the City Council/Redevelopment Agency voted to implement a residential assistant loan program offering deferred, low-interest loans of up to $20,000. This program is currently being finalized and will begin during fiscal year 2005-2006.

CERRITOS HOUSING SUMMARY

The City has been successful with many programs from the last Housing Element and Cerritos should continue these programs, which include:

- Senior Housing Program
- Reduced Development Fees
- Homeless Shelter Program
- City Wide Pride Program
- Grant Program
- Cerritos Code Enforcement Program
- Substandard Property Abatement Program
- Deferred Rehabilitation Loans (currently under development)

The City had many programs within the last Housing Element that were appropriate toward the state housing goal, but which were not effective or which have not yet been implemented. These programs are currently under review and/or under development. Programs that are currently being studied include:

- Shared Housing Program
- Equal Housing Program
- Simplified Residential Development Review Process
- Senior and Disabled Citizen Labor Assistance Program
- One-for-One Replacement Housing Program (at-risk)
- First-time Home Buyers Assistance Program
- Density Bonus

The purpose of the Housing Element of the General Plan is to ensure that every jurisdiction establishes policies, procedures and incentives in its land use planning and redevelopment activities that will result in the maintenance and expansion of the housing supply to adequately accommodate households currently living and/or expected to live in that jurisdiction.

In accordance with applicable State Law, the Housing Element consists of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The Housing Element identifies adequate sites for housing and makes adequate provision for the existing and projected needs of all economic segments of the community.

RECOMMENDATION

It is recommended that the City Council/Redevelopment Agency:

1. Receive and file the Annual Update on the Implementation of the Certified Housing Element of the City of Cerritos as Required by Section 65400(B) of the California Government Code; and

2. Direct staff to transmit a copy of this report as required by Government Code Section 65400(b).

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